No. 29,201

Tuesday December 20 1983

D 8523 B

GENERAL

The Name of

1 2 la m

a freeze frame

The Castle

and thereing

24 g

Corner CE

· Alexandra

ុំ… កក្សិ

A trans.

to star by

4" 2 AND

of what design

75 A 1 12 753

The Inc.

and the second

STATE OF THE STATE OF

or the be-

the transfer of

Same by

41719-700**3** - \$

五层分类 复度

さんかつきゅうき

·安宁 (17) (17) (17)

عاطع جيد

1 Sept 1

proving week

A side die gege

211

Israel prevents Arafat exit

northern Lebanon port of Tripoli prevented Palestine Liberation Organisation leader Yassir Arafat

from leaving. But last night five Greek ships left Cyprus for Tripoli. The Israelis sank a small Leba-Page 4 nese ship, damaged a Cyprus-registered ship, but allowed an Ital-ian vessel to take off injured PLO

fighters. Page 3
In Jerusalem, an American wom-an tourist became the sixth to die as a result of a PLO bus bomb attack two weeks ago.

U.S. envoy in Iraq

U.S. special envoy in the Middle East Donald Rumsfeld visited Iraq, which broke off relations with the U.S. after the 1967 Arab-Israeli war, to gain support for restoring peace

Explosion check

London anti-terrorist squad detectives interviewed a dealer who four weeks ago sold the car used in the bomb attack on Harrods store on Saturday, in which five people were killed. A businessman has offered a £250,000 (\$354,000) reward for information leading to conviction of those responsible. Page 12

German bomb arrests West German police have arrested

four young men near Rüsselsheim, near Frankfurt, on suspicion of planning bomb attacks on U.S.

Nordic-Africa talks

bia, Zimbabwe, Botswana, Mozambique and Tanzania to Stockholm in April to discuss the "worsened situation in southern Africa."

'Attack on Angola'

Angola accused South Africa of an air attack on a southern town, kill-ing dozens of civilians and destroying a school and hospital.

Jamaica reshuffle

Jamaican Premier Edward Seaga reshuffled his Cabinet, appointing Mr Hugh Hart Minister of Mining, a post he had previously held him-

Gunmen kill 10 Thais

Five men fired machineguns into a crowd of Thai villagers watching television, killing 10 and wounding

Spy chief resigns

Australian Secret Intelligence Service director John Ryan resigned after a bungled mock anti-terrorist raid on a Melbourne hotel by 12 agents this month, Page 3

Chinese cure

Chinese doctors have found a new remedy for menstrual pains and dizziness: cotton wool soaked in alcohol and placed in the patient's

Princess to marry

Princess Caroline of Monaco, 26, is to marry for the second time. The groom is Italian oil and property heir Stefano Casiraghi, 23.

Car surgery protest

six friends dismantled his car, a Re- line from the Fulmar field was apnault, and sold parts to passers by proved in a Basie protest against pollution. Page 6

Mexico granted a \$4bn credit

creditors have agreed to arrange a \$4bn credit to help it cover its 1984 balance of payments requirements.

• DOLLAR fell to DM 2.773 (DM 2.778), FFr 8.4575 (FFr 8.4775), and SwFr 2.212 (SwFr 2.215), but im-proved from Y235.7 to Y236.15. Its Bank of England trade-weighted index, logged before the close, rose from 131.1 to 131.2. Page 29

● STERLING rose 45 points to \$1.4185, and to DM 2.935 (DM 3.93), FFr 11.995 (FFr 11.985), SwFr 3.14 (SwFr 3.135), and Y335.25 (Y333.5). Its trade weighting rose from Friday's 81.9 to 82.1. Page 29

© GOLD rose \$1.25 in London to \$375.125 and by \$8.75 in Zurich to \$375.25. It dropped \$2.25 in Frank-furt to \$375. In New York, the Co-(\$3726). Page 28



■ LONDON: FT Industrial Ordimary index improved 28 to a record Nordic countries have invited for 7621. Report, Page 23. FT Share In-

> • WALL STREET: Dow Jones industrial average closed 2.44 up at 1,244.61. Report, Page 19. Full share prices, Pages 20-22

● TOKYO: Nikkei Dow index fell 81.47 to 9,484.17 and the Stock Exchange index dropped 5.50 to 701.22. Report, Page 19. Leading prices, other exchanges, Page 22

● EUROPEAN PARLIAMENT President Pieter Dankert is expected to sign today final adoption of the 1984 EEC budget freezing UK and West German rebates, despite protest from foreign ministers that

the parliament is exceeding its pow-• INTERNATIONAL BANKS in Western industrial nations made new loans of \$10bn to the rest of the world in first-half 1983, only a third

of the 1982 figure. ● ZAIRE began talks in Paris about rescheduling payments on debts, now about \$5bn, for the sixth

time since 1976.

■ COLOMBIA is to seek new loans of more than \$800m in the next six months. Page 4

• NEW ZEALAND Forest Products, 24.9 per cent of whose shares were acquired by the Wattie-Goodman group last month, offered about a third above Friday's closing price for 24.9 per cent of Watties.

• KUALA LUMPUR-KEPONG. Malaysia's fourth largest plantation group, has bought Sri Kunak Plantation for 189m ringgits (\$82m). Page 13

• VOLKSWAGEN, West German car maker, forecasts a loss for the year of about DM 300m (\$108.6m), the same as last year. Page 13 • BUFFONI PERUGINA, the Ital-

ian foods group, has dropped plans for an alliance with French confectionery maker Poulain. Page 13 SHELL -ESSO project to build a Swiss children's psychiatrist and \$315m (\$446m) North Sea gas pipe-

proved by the UK Government

NEWS SUMMARY Shell wins leading role in Nigerian gas export project

Shell has been appointed project leader for the Nigerian Government's proposed \$6.6bn liquefied natural gas (LNG) export scheme. The decision was taken after a series of meetings with oil majors operating in Nigeria on how to revive the massive project after a series of setbacks.

wards realisation of the scheme to exploit Nigeria's huge gas reserves and replace oil as the country's main foreign exchange earner. Western Europe is seen as the like-

ly market

Shell was chosen as project lead-er ahead of Elf-Aquitaine and Agip, the other partners in the former Bonny LNG consortium which went into voluntary liquidation last year. Several key factors were behind the decision, according to industry officials. They include Shell's experience in LNG schemes, its position as operator of the largest oil company in Nigeria, with huge unexploited gas reserves, and its good contacts with the gas markets in both Britain and West Germany, the

It represents a major step to- be resolved is where and at what plant than the rival Technip proprice the daily output of lbn cubic cess used by Elf.

> only major capital project in Nigeria to survive drastic cuts, because of the current oil glut, and the consequently reduced to half the size, quent drop in both foreign exin part because of government mischange earning and government revenues. It is intended that the project should be effectively self-financing once the initial equity capital has been found.

Shell's selection as project leader means there will only be two equity partners - Shell and the Nigerian National Petroleum Corporation (NNPC), which will retain a majority shareholding. However, other be critical to any attempt to break gas producers, such as Elf and Agip, into the European market, and inwill be able to supply gas to the promost likely buyers of Nigerian posed plant.

The decision also means that of the LNG scheme is the early Shell's Air Products process is now 1990s, but the critical issue now to more likely to be chosen for the

The Nigerian Government origi-The LNG scheme is virtually the nally envisaged a six-train (process-only major capital project in Nigering unit) plant, which would have cost some \$14bn, but this was subgivings over the massive scale and finance required.

> The proposed funding for the revised scheme is for supplier credits totalling some \$4bn, between \$1.35 and \$1.75bn in equity capital from the partners, and some \$1bn from a syndicated Euroloan.

Pricing of the Nigerian gas will dustry officials say it will be more expensive than gas from the Soviet pipeline but cheaper than Algerian

Gas pipeline go-ahead, Page 6

Saudis 'withdrew \$10bn from banking system'

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT, IN LONDON

of the international banking system

Iraq in its war against Iran.

in the first half of this year as it ran

Saudi Arabia, which only just

down its reserves to offset declining
managed to run a balance of payoil revenues, according to figures
ments surplus in 1982, faced a 48

from the Bank for International
per cent fall in oil exports to 653.

Settlements (BIS).

Iraq in its war against Iran.

banking flows.

Like that series, however, the
new figures confirm a sharp slowdown in international bank lending
in the first half of the year.

A particularly worrying assert

higher.

Eastern deposits in western balls.

The BIS figures give one of the fell \$16.4bn in the first half of this borrower nations.

The figures st pact that lower oil prices have had

first concrete indications of the im- year.

in the same period. foreign exchange reserves, which ern banks. Notable falls were postalso include holdings of government securities and gold, are much higher.

Eastern deposits in Western banks diate relaxation of the control of t

The latest BIS figures, which on the country's finances this year. cover the maturity distribution of to pile up too many short-term Some bankers believe that the run-international bank leading, are loans to countries in potential troudown of reserves is also attribu- much more detailed than the bank's ble.

SAUDI ARABIA pulled \$10.2bn out table to continuing assistance to quarterly data on international

The withdrawals totalled nearly a Official Saudi figures show oil was a further decline in undrawn quarter of the amount Saudi Arabia revenues fell 54.5 per cent to \$17bn credit commitments to countries held on deposit with Western banks in the same period. outside the BIS reporting area - the at the start of the year.

But the BIS report also shows group of 10 leading industrial counBy the end of June it was left that other oil exporters have had to tries, Switzerland, Austria, Ireland with only \$31.6bn, although its total run down their deposits with West- and Denmark, as well as leading

These fell a further \$2.8bn, suggesting that there will be no imme-

The figures suggest, however, that banks are taking more care not

Video disc players produce clear

er pictures, but do not have re-recording capacity. At present 700 software titles are available for la-

Yamaha Motor, the world's sec-

and biggest motorcycle manufactur

er, after Honda, suffered a heavy

parent-company net loss of Y14.07bn (\$59.7m) in the six months

to October 31, compared with a profit of Y5.14bn in the comparable

ser-type video disc players.

authority by election losses

By Jurek Martin in Tokyo

AN IMMEDIATE weakening in the political authority of Mr Yasuhiro Nakasone, the Japanese Prime Minister, seems the inevitable consequence of the crushing loss in Sunday's general election of his ruling Liberal Democratic Party's (LDP) absolute majority in the Diet

The LDP is still expected to form the next government, without recourse to a coalition by recruiting to its ranks at least nine and possibly 11 of the 16 newly elected independent Diet members. This would give the LDP an effective representation of about 260 seats in the 511-mem-

ber parliament. It also seemed probable last night that Mr Nakasone would remain as head of the Government, but only largely because the severity of the LDPs setback so affected most of his potential rivals for the party dership that none appeared ready to launch an immediate chal-

Much, however, will depend on whether he can put together a new Cabinet which succeeds in balancing the competing forces inside the LDP. Judging by the savagely criti-cal comments about him circulating last night, this will prove extremely difficult. In any event, he can ex-pect considerable opposition when, or if, he seeks re-election as party leader next automn.

A noticably subdued Mr Nakasone apologised at a news conference for the election results and promised to "start again" in running the country. But the Prime Minister was a relative picture of confidence compared with the abject appearance of Mr Susumu Nikaido, his party's secretary-general and chief election strategist. He promised to resign.

The early trends of Sunday night's counting were confirmed vesterday when results from the major cities of Tokyo, Yokohama and Osaka flooded in. The LDP's final tally of 250 seats represented a net loss of 36 from its parliamentary strength dissolution; no poll or forecast, not even from the opposition, had predicted so poor a

Moreover, matched against the LDP debacle, was the spectacular personal victory of former Prime Minister Kakuei Tanaka, whose conviction in the Lockheed bribery trial and subsequent refusal to re-Continued on Page 12

Why the bets are off, Page 10

Nakasone's New Airbus undermined boosted by \$200m order

BY MICHAEL DONNE IN LONDON

AIRBUS INDUSTRIE has decided been considering the possibility of to go ahead with development of its ruising some money in British fi-new A-320 aircraft after receipt of a nancial markets if the UK Govern-\$200m order from Inex-Adria, a Yument decides to limit the amount of goslavian airline, for five aircraft, launching aid it could provide, with another three on option.

BAe could probably raise about

That increases pressure on the half the £400m needed in the mar-British Government to approve ket if forced to do so. But if the Gov-more than £400m (\$570m) launch-ernment rejected all financial suping aid for the British Aerospace port, BAe would be obliged to pull share of the proposed 150-seat air-out, because it could not afford the liner. BAe wants to build the wings debt involved in raising all £100m for the aircraft, the launching of from the market. which would complement the European Airbus consortium's production of the existing A-300 and A-310

M Bernard Lathière, Airbus president, said the consortium's mem-bers had decided to press ahead with the project because, in the light of the Inex-Adria order, "the industrial and marketing conditions decision we had set ourselves have been ful-

If the British Government, therefore, decides not to support the A-320 financially, obliging BAe to withdraw, the aircraft will still be developed, probably with other partners replacing BAe. The UK company has accepted the possibili-ty that that situation might occur. BAe is anxious to participate, however, and has recently even

Together with £113m sought by Rolls-Royce for its share of the engine, the two companies collectively want over £500m in launch aid, repayable from levies on eventual sales of aircraft and engines.
The Inex-Adria order is the

The Government itself continues

Norman Lamont, Minister for In-

dustry, told a union delegation yes-

terday that although the Govern-

ment recognised the importance of

both the A-320 and the projected new V-2500 international jet engine,

in which Rolls-Royce participates, a

decision would not be likely before

fourth for the A-320, bringing total firm orders and options to 88 air-Continued on Page 12

Cartel go-ahead for Grundig plan likely

BY JOHN DAVIES IN FRANKFURT AND WALTER ELLIS IN AMSTERDAM

THE WEST German Cartel Office is trol of Grundig, the German con-shortly. sumer electronic manufacturer.

sumer electronic manufacturer.

It said yesterday that it expected nal Philips holding, in co-operation to bold talks with the two co nite date had been set.

said that the landscape had payment. changed since then, and referred to the build-up by Thomson-Brandt of European banking consortium is France of its interests in West Ger-being put together by Dresdner

Grundig yesterday declined to disclose the likely financial ar-

According to Philips, negotiations expected to allow Philips, the Dutch on the increased participation reelectronics group, to go ahead with quired to give it day to-day control its plan to take management con- of Grundig should be concluded

nies next month, although no defi- cent. The Dutch group has refused Four years ago, the office obstructed a plan by Philips to increase its present 24.5 per cent and current majority shareholder stake in Grundig. But an official of the German acquisition, a cash According to Dutch bankers, the

> Bank, house bankers to Grundig. Continued on Page 12

rangements with Philips, emphasis- Editorial comment, Page 10; High ing that the final details were not drama in electronics, Page 13; Lex,

TARGETED ON YOUR **GROWTH MARKETS IN 1984**

The expert economists and mightly computers of DRI - McGraw-Hill's macroeconomic model facility have identified the targets for international Management's circulation growth. They should be your growth targets tool Using ten different criteria DRI have selected those countries and industries in each region of the world with above average growth indications over the next 3 to 5 years.

GROW WITH US Starting January 1984 we will deliver increased decision-taking outdences in key growth markets =

: International management	English language	108,000 <u>.</u>	607,600	+ 8%
INTERNATIONAL MANAGEMENT	Europe	70,000	244,300	+ 8%
INTERNATIONAL MANAGEMENT	Asia Pacific	25,000	343,300	+25%
ALAM AL-IDARAH (Arabic language)	Middle East	22,000	369,900	÷10%

Get the strength of MANAGEMENT market-directed circulation hehind your advertising.

EMENT McCrow-Hit House, Maldeshead, Beristine, SL6 201. England Telephone (NCCV) 23-531 Tales 848640

Sony predicts sharp recovery as earnings decline by 35%

BY YOKO SHIBATA IN TOKYO

SONY CORPORATION, the Japa-nese-based electrical group, suf-fered a 35 per cent setback in consoexpects a recovery by about 70 per showed a fall of 53.4 per cent. cent to Y50bn in the current year.

The expectations, says Sony, are based on higher demand for Beta-VCR sales, to reach 28.9 per cent of

max video cassette recorders the overall figure. (VCRs) in Japan and the U.S. The

chieved this year. The three months to October 31

lidated net income in the year to per cent to account for 71 per cent October 31 to Y29.8bn (\$128m), but of the total Latin American sales

A breakdown of last year's sales company places high hopes on the by product shows video equipment Olympic Games in Los Angeles, - including VCRs, cameras and and on further reductions in inventages - falling by 3.6 per cent in valtories, which were trimmed by ne to make up 41.1 per cent of the Y94.6bn to Y265.7bn last year. total Volume sales of VCRs rose 18 The company plans to bring an-nual production of VCRs to its full products such as the Beta hi-fi mod-

movie recorder. brought a sweeping recovery in perper cent, at 24.1 per cent of total formance, with Sony's net income turnover - but audio equipment reaching Y12.7bn, five times the revenues were down 2.9 per cent to ent-company net loss of Y33bn for Y2.5bn of the comparable quarter. account for 22.1 per cent. Only the full year.

Consolidated sales for the year to 250,000 Walkman portable stereo Last mont

turnover for the current year is year.

forecast to gain 12.5 per cent to

Sony will market its optical video

movie recorder.

The group, which has suffered from falling sales and high invento-

capacity of 2.8m from the 2.25m els and the Beta Movie, the home

period last year, writes our Finan-cial Staff. Sales during the period plunged to Y186.7bn from Y224.8bn. ries of motorcycles, is paying no in-terim dividend and forecasts a par-

Last month, Yamaha cut wages October were slightly down by 0.3 cassette tape recorders were sold, by 5 per cent and announced that it per cent to YI,110bn (\$4.7bn), but compared with 290,000 the previous was seeking 500 voluntary redunwas seeking 500 voluntary redundancies from its 11,000 employees. Lex, Page 12

Y1,250bn. The fourth quarter just disc players for consumer use next

Japanese election: suddenly Management: putting new life into old cars8

Philips-Grundig: high drama Italian banking and finance:

Companies.....13 Overseas 3 Letters Companies......13, 14 Lowberd..... World Trade..... 4 Managem Britain 5, 6 Market Monitors Men and Matters.....

UK engineering: the TI Lombard: more politics for barometer swings back 11 London Transport 11 East Germany: where bad Editorial comment: Europe's Philippines: the final stage Lex: Philips-Grundig; Sony;

America..... 4 Gold

Companies......16-18 Arts - Reviews..... - World Guide

- London ... 19, 23-25

all bets are off10

France likely to push inflation below 8%

drop to under 8 per cent by the middle of next year, but emiddle of next year, but emiddle of next year, but emiddle of next year. This at least is revised sharply upwards is forecast for the first half of revised sharply upwards is forecast for industrial investment in provement in France's current account performance—to an estimated deficit of only the second half of this year of the forecasts by the Government's the performance foreseen foreseen foreseen the first half of revised sharply upwards is forecast for the first half of revised sharply upwards is forecast for industrial investment improvement in France's current account performance—to an estimated deficit of only the second half of this year of the first half of revised sharply upwards is forecast for industrial investment improvement in France's current account performance—to an estimated deficit of only the second half of this year of the first half of revised sharply upwards is forecast for industrial investment in provement in France's current account performance—to an estimated deficit of only the second half of this year of the first half of revised sharply upwards is forecast for industrial investment in provement in France's current account performance—to an estimated deficit of only the second half of this year.

ing under the impact of sluggish domestic demand, according to forecasts by the Government's statistics institute Insee.

The institute says the economy this year has benefited from an upsurge in international demand. This has prevented the Government's its current levels in early 1984 only if foreign demand is mainausterity policy causing an out-right recession. The economy

terms—a rise of well over 5 per cent in volume terms—which would more than compensate

in the first six months—is due above all to a big drop in the

FRANCE'S ANNUAL inflation is expected to grow by 0.2 per rate looks likely to continue to cent on average this year comforp to under 8 per cent by the middle of next year, but employment will carry on declinate the first half of ployment will be a separate document, insee has a sep half of 1983 from FFr 34bn year increase to 7.7 per cent by next June

Swedish

recovery

spurred

by exports

SWEDEN'S ECONOMIC re-

mic survey produced by the Swedish Industry Federation.

The report warns, however,

On the employment front, for the 4 per cent volume drop between 1983 and 1982.

Insee says the spurt in investment intentions — most marked among large enterprises—partly represents a tion.

In the employment front, above all to a big drop in the trade deficit caused by the domestic economic slowdown and more competitive export with an overall 200,000 jobs being lost between mid-1983 and mid-1984.

SWEDEN'S ECONOMIC recovery has developed more quickly than expected thanks to the export boom triggered by last year's 16 per cent devaluation. The current could be in balance next year, in strong contrast to the massive deficit of SKr 22bn (£1,9bn) in 1982 and SKr 7.2bn (£623m) this year, according to the latest economic survey produced by the

David Housego visits Talbot's strike-bound production lines at Poissy outside Paris

Car-workers dig in their heels

ready to discuss each redun. At a minimum, the CGT claims, dancy with us on a case by case everyone will be entitled to 6-9 basis we won't budge from months retraining. here," says a Moroccan worker. "The training

"The strike goes on."

It is mid-afternoon at the large Talbot car plant at Poissy outside Paris. As has so often happened in the past in car disputes in the Paris region. many of the mainly immigrant workers on the production lines have rejected an agreement that has been accepted by their

union's national leadership. Several hundred of the 3,000 workers who showed up this morning at the call of the unions gathered in groups in the assembly shop. Half-made cars bung suspended where theye were 12 days ago when the strike began. Draped from he girders were slogans painted we went our rights."

we went our rights."

Word goes round the assembly shop that a meeting is about to begin. On the back of a small truck climbs a fragile woman in black sweater the girders were slogans painted red and written out in French and Arabic proclaiming "No Redundancies" and Peogeot

letters are already in the post to the 1,905 being made redundant as a result of Saturday's agreement. It is not known on the strike and television appearances have propelled to the shop floor who will receive them. The Communist-led CGT union which has a large majority at Poissy and at national level acquiesced in Saturday's compromise says that nobody "will be acquiesced in Saturday's compromise says that nobody "will be acquiesced in Saturday's agreement. It is not known on appearances have propelled to appearance appearance has propelled to appearance appearance has propelled to appearance appearance has propearance and plearance appearances have propearance appearances have propearanc

Kidnappings

take violent

"The training is a trick," says one North African worker. says one North African worker.
"I have been here eight years
and they have never proposed
training before. They have
dreamed it up now that they
are throwing me out." Another
adds "I am not going back to
nursery school to learn my
ABC. "Many of the immigrant
workers cannot read or write in workers cannot read or write in French

A middle-aged Algerian who declines to give his name says he would be ready to leave if he was pald a proper "departure bonus." "W're being treated like worn out brooms. Now they're finished with us they are throwing us out. But we went our rights."

and mauve skirt. She is Nora Trehel, the local CGT leader

"GERARDO IGLESIAS may have surprises in store," said Sr Santiago Carrillo, the old fox of Spanish Communism.

when he handed over a defeated

party, one year ago, to an en-known and unassuming coal-

prophecy. The one quality Sr Carrillo was not looking for in

quarrelsome congress in the party's history, Sr Iglesias

But they show that Sr Iglesias,

even if he lacks the sharp in-tellect and personality of Sr

By Our Berlin Correspondent

no longer to be operated by the

The four second World War

allies in 1945 made the Reichsbahn legally responsible for operating the urban railway in

all of Berlin, a status which remains untouched by

receive an annual payment for the long-distance trains it operates through West Berlin.

The main benefit for East Germany is that it will no longer have to subsidise the S-Bahn in the West which it has largely shut down for this reason.

West Berlin intends to revive

West Berlin instead.

the process of detente.

accord.

miner.

and nerve.



Placards on Paissy's halted production lines proclaim workers' opposition to redundancies

the CGT has changed its posi-tion and has accepted the re-

There were two positive and the Peugeot management— 1,000 jobs have been saved and the production of Talbot cars

THE PORTUGUESE Com-

munist Party has reaffirmed

its allegiance to Moscow, and

its resolve to carry on the

1975 revolution, writes Diana

Smith in Lisbon. At its

tenth congress, in Oporto at the weekend, the party insisted that although the

revolution was "wounded"

it would continue, and that

recent governments were

counter-revolutionary. Sr Alavaro Cunhal, the

re-elected secretary of the central committee. He held

his party to a rigid pro-

Carrillo, can match him in wile spirits took over during a four- version is that Sr Iglesias

speech in defence of his policy Sr Iglesias agree on is that the fuller advantage of anti-U.S.

70-year-old leader,

was coolly received.
As end-of-congress

by a thread. He survived a the new central committee was vote on the outgoing central announced, he was a changed

Press and radio for saying that tures on a case-by-case basis. Won't find work elsewhere. the CGT has changed its posi- Each worker would then be At the last union ele offered the possibility of retrainant the plant, the CFDT ing, a transfer to another job gained only 6-9 per cent of the or "a departure bonus" for votes. But, over the past three those wanting to return to their weeks, their strength has been

Moscow line throughout West

Europe's Eurocommunist experiments of the 1970s and

Portguese governments since 1979 that have tried to dis-

deeply-indebted public sector

created by Communist-led nationalisations in 1975.

The presence at the Con-

gress of Mr Mikhail Gor-bachev, a prominent member

of the Soviet politburo and one of the candidates tipped

Andropov, was a sign of the approval with which Moscow

regards the Portuguese party.

former made a mistake when

high he chose the latter. Sr Carrillo's

succeed President Yuri

points, she says, in Saturday's accord between the Government and the Peugeot management—

1.000 iobs have been saved and M Jean-Pierre Noual, the local plant level than the Communists.

There were two positive the those wanting to return to their weeks, their strength has been growing because they have taken a much tougher line at plant level than the Communists.

Poissv is officially shut

sentiment stirred up by the Reagan Administration's poli-cies in Central America and the

In Sr Iglesias's view, his pre-

decessor committed the error of thinking he could continue

to pull the party strings. He has reaffirmed his aim of haul-

ing the party out of its ghetto

and appealing to the supporters

who left it in recent years. But

The veteran union leader, Sr

Marceino Camacho made clear that party policy would be "a collective operation" between Sr Iglesias and the others. The remaining posts on the execu-

tive which will probably be de-

cided this week will reveal the extent of the constraints on the

The argument has been about

the style of Spanish Eurocom-munism, but behind the power struggle lies the problem of a

party risks losing militants to

secretary-general.

he faces an awesome task.

modest increase of 1.6 per cent is expected next year. Industrial profits have also recovered sharply this year, above all in the export sector of the economy and are expected to continue rising in 1984.

As available capacity is used up through rising industrial productionn—output is estimated to have increased estimated to have increased trial investment is also show-the per cent this year—industrial investment is also show-the almost continuous decline ing signs of recovery after since the mid-1970s. Investment could rise by 6-7 per cent next year, says the report.

surplus is expected to rise further in 1984 to SKr 16.5bn

leading economic forecasters in Sweden — is more cautious

about the prospects for the wider economy, goiven the continuing depressed state of domestic demand. Swedish

gross national product is esti-mated to have risen by 1.7

pr cent this year and a further

The report from one of the

IEA urges oil refining capacity cut By Richard Johns

ABOUT one-third of West European oil refining capa-city will have to be closed by 1985-86 if an 85 per cent by 1985-86 if an 85 per cent utilisation rate is to be achieved, according to officials of the International Energy Agency (IEA). bination of over-capacity, little growth in demand, and a likely increase in imports of refined oil from member states of the Crganisation of Petroleum Exporting Coup-

of Petroleum Exporting Coun-

tries (Opec).

tries (Opec).

Present utilisation in West
Europe is 60 per cent compared with 65 per cent in the
Pacific region and 75 per cent
in North America.

Throughout in the Pacific
region should rise to 75 per
cent capacity as a result of losures involving im b/d in

closures involving Im b/d in Japan. The proportion in North America could rise from 75 per cent to around 90 per cent taking into account forecast increases in demand for products.

Crude oil distillation capacity in the Organisation of

Economic Co-operation and Development area fell from about 47m barrels a day in 1979 to just over 41m b/d at the end of 1982, according to the end of 1982, according to a recently completed IEA study. It is expect to fall to 39m b/d by the end of 1985, Over the next two years Opec is expected by the IEA to increase its exports of refined products from about 1.2m b/d to 2m b/d.

Ozal presents plan for liberalisation of Turkey's economy

BY DAVID BARCHARD IN ANKARA

expected, the need to develop com- travel abroad, will be phased out petitive free market economic con- gradually ditions and streamline the country's civil service.

fore being put to a vote of configetting the programme approved. Mir.
The Government programme fol- glu. lows last week's major overhaul of

The report warns, nowever, that costs must be kept in check if the advantage gained by last year's devaluation is not to be eaten up.

Inflation in Sweden, although lower than feared in the wake of the devaluation, is still running well above levels in most of the country's main trading tal ministries, and drastically pruned the power of the Ministry of It stresses the need to find eco-

partners.

The Federation belives that the Government is unlikely to achieve its ambious goal of lowering inflation to only 5.5 per cent next year—compared to a naverage of 8.9 per cent for 1983. But it does expect price rises to increase of some 7.1 per cent next year. nomic policies to solve Turkey's chronic social and economic illchronic social and economic are nesses, the approach promised by cent.

Mr Ozal during his election campears ready for the time being to a manufacture on a paign.

Law and order, unemployment, housing shortages, regional poverty, administrative reform, and tackling inflation are listed as the

Sweden has achieved a 10.5 per cent rise in the volume of exports this year says the report. This is expected to result in a SKr 10.1bn trade surplus for 1983, a massive makes from last years. Mr Ozal told parliament that Tur-key had to set up a dynamic new swing from last year's SKr 5.7bn deficit. The trade

system whose rules and structure would work efficiently. He promised strict controls over the growth of the money supply and reduction of the budget deficit. There are to be new incentives for exporters and further encour-

agement for foreign investment. As expected, Mr Ozal also promised to

MR TURGUT OZAL, Turkey's full convertibility for the Turkish li-Prime Minister, has presented his ra during the five year life of the Government's programme to the present assembly. Restrictions on National Assembly. It stresses, as foreign exchange transactions and

Mr Ozal said the recent declar ation of independence by the Tur-kish Cypricts did not close the way The programme will be debated kish Cypriots did not chose the way in the 400-member parliament be to successful negotiations. Mr dence on Saturday. Mr Ozel has a unveiled a decree effectively demol working majority of 23 and is not ishing the interest rate regime set expected to face any difficulty in up a year ago by the former finance up a year ago by the former finance Minister, Mr. Adnan Baser Kalao

Rates for term money have been the administrative system, which increased and those for sight depos-cut down the number of departmentits - put up to 20 per cent a year aso its - put up to 20 per cent a year ago
by Mr Kafaogiu - have been taken
back down to 5 per cent.
Deposits of less than one year
will now earn 47 per cent compared

to 35 per cent and one-year deposits will rise from 40 per cent to 52 per

continue accepting imports on a preferential basis from the Turkish part of Cyprus, despate the "illegal" declaration there of an independent Republic, writes John Wyles in

EEC Foreign Ministers acknowledged testerday that the officially recognised government of Cyprus was changing its official stamp on export documents and that this would now be recognised on imports from the island.

However, they took no decision as to whether this would be recog-nised as the only official export au-thorisation. This leaves member ease restrictions on imports, though states free to accept imports from only gradually.

The Prime Minister told parliadone on an informal basis since the class that he also plans to achieve island was partitioned in 1974. the Turkish sector as they have

Schlüter well-placed to win snap election

BY HILARY BARNES IN COPENHAGEN

on January 10, Mr Poul Schlüter's market dive from almost 22 per outgoing centre-right coalition will cent a year ago to around 13.5 per be in an ideal position to apply for cent

Democrats, the first calling for hig- cent between 1982 and 1983, has not ger budget cuts and the second for paved the way fin their return to increased public expenditure.

The Conservative Party Premier

seeking to hammer the right-wing cent to 50 per cent. Progress Party, the Social Demoeight years.

The first opinion polls, published indicated that the Conservative Party would double its vote to 29.7 per cent putting it level for the first lose seats.
time in 50 years with the Social In the pre Democrats, who stand to drop from 32.9 per cent in the 1981 election to 29.9 per cent

ing the country's economic prob-lems under control and the voters seem prepared to reward it, espe-cially the popular Prime Minister's with the Socialists on foreign poli-

Conservative Party.

By reducing a forecast 1983 budget deficit from DKr 80bn (\$7.96bn) almost 14 per cent of gross domestic product - to an actual DKr 62bn; social welfare benefits, the Govern- Progress Party. ment has reduced inflation from 10

deficit from DKr 19bn to DKr 9bn, stabilised the krone exchange rate of winning.

WHEN Denmark goes to the polls and seen interest rates in the book

To the discomfort of the Social Mr Schlüter's four-party coalition Democrats, the Government's was toppled at the end of last week tough fiscal line, which has left its after its 1984 Finance Bill was voted mark in the form of an increase in down by an alliance of the anti-tax unemployment from about 9.5 per Progress Party and the Social cent of the werkforce to 10.5 per

The Social Democrats own a is now preparing to flay the Social ternative to present government Democrats - who have dominated policies does not seem to be cutting Denmark's free-spending welfare much ice with the electorate. This is state politics for half a century - for to increase budget spending with their opportunism: they had not vot- an eye to providing more jobs and ed against a Finance Bill since 1929 to finance the increase by raising

The Conservatives will also be corporate income tax from 40 per The opinion polls indicate that crats' unlikely ally, for its part in the coalition parties will advance bringing down the first non-social- from 65 seats to around 75, but that

ist government in Denmerk for the Conservatives will gain at the expense of almost everyone else, including Mr Schlüter's Liberal, Cenat the end of last week, point to a tre Democratic and Christian Party triumph for Mr Schlüter. The poll colleagues.

The Social Democrats and the Progress Party both seem set to In the present nine-party Folket-

ing there is no majority for either left or right. The balance between the two blocks is held, as it has Mr Schlüter's administration has been for decades, by the social-libhad considerable success in bring-ing the country's economic prob-

A good election for the coalition

parties could end this dilemma by giving the Government enough seats to continue to base its ecoand by suspending the indexation nomic policy support on the Radical wages and salaries and some cals and its foreign policy on the One of the mysteries of last

to 6 per cent. week's vote is why the Social Demo-It has haived the current account crats provoked, an election which they apparently have little chance

West Berlin urban HUNGARY'S Foreign Minister, proceed with the installation of spring. Mrs Margaret Thatcher, rail accord

Until the last minute. his Iglesias sat isolated, pale and leader he hoped for. The nism altogether. Sr Carrillo's prospects of re-election hung fidgety. But 40 minutes after Carrillo camp want a more supporters have argued that the

committee's report by only the man with a new self-assurance. identity, but dissociated from ation being set up by Sr Ignacio narrowest of margins and his The one thing Sr Carrillo and the ruling Socialists and taking Gallego by a former central

Carrillo's successor shows staying-power

PORTUGUESE CLEAVE TO MOSCOW

EAST GERMANY and West Berlin have reached surpris-ingly quick agreement on one of the knottiest post-war prob-lems in divided Berlin. The West Berlin half of the S-Bahn,

HUNGARY'S Foreign Minister, proceed with the installation of spring. Mrs margaret Thatcher, is official visit to Bonn today for with Herr Genscher in Sepuals with Herr Hans Dietrich tember at the United Nations, Genscher, his West German to spoke of the need to overcome the counterpart, on ways the Europeans might help overcome the a dialogue between the supersuper last value and importing last value and importing

East German shops: where bad goods cost more

The Western allies call the agreement, which is to be initialled shortly, a sign of the East's apparent willingness to compromise and to continue East Germany, which said it pumped DM 1.5bn (£380m) in subsidies into the loss-making S-Bahn, wanted payment from the city for the transfer. But it quickly abandoned this negotiating tack when West Berlin said it had no money for the purpose.
Instead, East Germany will

ment store on East Berlin's set with a 23 inch screen sells fifth.

Alexanderplatz illustrates the position. Shoppers in East germany's best-stocked department store are confronted with merchandise which would be impressive in Moscow, but sells for DM 75 in West Berlin.

Alexanderplatz illustrates the position. Shoppers in East germany's best-stocked department store are confronted with merchandise which would be impressive in Moscow, but sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company's cost sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company's cost sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company's cost sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company's cost sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company's cost sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company's cost sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company's cost sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company's cost sells for DM 175 in West Berlin now being delivered to cus for a three roomed flat, company to the tigh cost of consumer goods are the tigh cost of consumer goods are the ligh cost of consumer goods are the ligh cost of consumer goods and expressed by subsidised prices East Germans families, which have two incomes, would opt for character the consumer goods are the ligh cost of consumer goods are the leavily subsidised prices and the prices.

Balancing the ligh cost of consumer goods are the leavily subsidised prices East Germans families, which have two in comes with the majority of East town the indicating the ligh cost of consumer goods are the leavily subsidised prices East Germans families, which have two in comes with the majority of East town the indication the goods and expression for the goo

ACCORDING to the East of both would almost eat up an German government, production of "high quality" consumer goods has become a priority goal. But to the consumer, things were better ten years although average incomes are far lower change. Visiting Hungarians and Czechoslovaks comment on the poor variety and high prices compared with their own shops. The drive to export at all costs in West Berlin a virtually iden
designed and badly made. The overall number of vehicles on the market. These difficulties of th The drive to export at all costs in West Berlin a virtually idenhas lowered the hard currency tical jacket goes for DMSO. 2,750 marks at the Centrum;
debt but has clearly taken its (Both marks are worth about abroad, sold under another toll on East Germans.

3.94 to the pound.)

A visit to the Contrum debts.

oll on East Germans.

3.94 to the pound.)

label in the West, the same
A visit to the Centrum depart.

A black and white television machine costs less than one ment store on East Berlin's set with a 23 inch screen sells fifth.

proved performance from a workforce which is being offered a smaller income in terms of the inflation rate and fewer goods, it continued high prices is unclear. It is doubt-ful that continued stable prices for basic goods and services will be enough to estiny East Germans for much longer.

turn in Italy A HUMAN ear delivered in a plastic bag. A horrifying photo-graph found in a refuse bin howing a man with a lacerated face and an ear evidently mi

ing, alongside a woman in chains with the barrel of a his successor was staying power. But at the weekend, revolver against her temple. Italy last weekend seemed to be back in the worst of the era of kipnapping that reached its peak in the 1970s.

When Anna Calisonni and her son Glorgia were kidnapped in November at their home outside backing of two-thirds of the November at their home outside central of two-lines of the central committee are misleading, reflecting the way the party apparatus works more than the true balance of power.

Rome it seemed to be just another of the 50 or 60 kidnappings of the rich which have been taking place in Italy every year for the past 10 years. They are cousins of the Bulgari family, owners of Italy's equivalent of Cartiers the jewellers, the head of which, Gianni Bulgari, was himself kidnapped in 1975 and released after payment of a ransom.

But the mutilation of Giorgio. in evident frustration by the kidnappers at the non-payment of the ransom demanded, said to be L3bn (£1.25m), introduces an element of brutality rarely seen since the kidnapping in Italy in 1973 of Paul Getty 3rd, grandson of the immensely rich oilman, and the only other victim to lose an ear.

It also raises the issue of whether, as in this case, the magistrate was right to order sequestration of the family's property to prevent it paying a

Sig Fermo Mino Martinaz-zoli, the Minister of Justice said yesterday that it was quite understandable that families would seek a way round seques-tration. What the authorities ought to be doing was tracking down the money afterwards. Nearly threequarters of kidnapping cases ended up with con-

There has been a rising public concern about kidnap-ping, which came to a head in ping, which take to a lead to the autumn when an 18-month-old girl was kidnapped in Tuscany, and released un-harmed by police 40 days later

For many wealthy Italians the threat of kidnapping has long been a part of life. They organise guards and travel in

The bands of kidnappers have concentrated lately on particu-lar areas such as the Veneto, which is full of successful young entrepreneurs. A leading Italian sociologist observed recently that Italy's nouveaux riches fear the tax man more than the kidnapper: "With the kidnapper you can negotiate, and provided you don't see him so as to be able to identify him, you come to no harm. With the tax man you do not know where

The kidnappers are mostly Calabrians or Sardinians, affi-Calabrians or Sardinians, affi-liated in one way or another as a symbol of Berlin's unity. with the Mafia, whose tentacles at a cost of DM 1bn from the extend throughout Italy. Recent Bonn Government.

Hungarian minister visits Bonn

cohesive disciplined party with party risks losing militants to a strong sense of separate a pro-Soviet splinter organis-

ington and Moscow.

Mr Varkonyi is the first East tions with Hungary and the two European foreign minister to sides are expected to discuss because of Budapest's payments visit West Germany since the the planned visit to Budapest by Budapest's payments Chancellor Helmut Kohl in the the same.

immediate delivery. East Berliners hardly notice a large lower-priced, well-made consign over the entrance to the sumer goods, car repair centre in Schoenhauser Allee saying: "Every thing for the good of the satisfied with the present system but the majority of East.

ents p econom





Arafat's evacuation hopes suffer setback

attack.

There is no doubt that Mr

Arafat and his senior aides

want to get out. They feel they have won all the political tricks they can from the PLO rebels and the Syrians and do not want

to become trapped by a re-newed rebel offensive with the

The Greek Government said yesterday that it was asking for renewed guarantees of

safe passage from "all interested parties" to facili-

tate the evacuation of Mr Yassir Arafat, AP reports

sea and Israeli gunboats behind In some of the front line positions, members of the

Lebanese gendarmerie ear already deployed. Major Zein, whose slightly melancholy figure was to be found until

"In the meantime, we can

out likely heroes, one official

the United Nations for providing the protection of its flag to the

Sri Lanka move to defuse tension

competent to discuss important

national issues," she said yester-

the for the second round.

Israel has bitterly condemned

THE TRIPOLI fire brigade was announce in his headquarters directing a thin jet of water at early yesterday that he had de-the blazing stern of a small cided to hand over these cargo vessel called "My weapons to the Lebanese army. Charm" moored at the quayside in Tripoli early resterday.
The old name, "Derola," was painte dout.

As his bodyguards fought to hold back a crush of reporters and television crews he added and television crews he added that he had asked the Greeks __ painte dout_

A few hours earlier, four to delay the arrival of their traeli gunboats had heavily ships because of the Israeli Israeli gunboats had heavily shelled the port, sinking the burnt-out hulk of one ship and setting "My Charm" ablaze. The little ship had appeared overnight, presumably to pick up heavy weapons belonging to Mr Yassir Arafat's lovalist fighters of the Palestinian Liberation Organisation, whose departure was postponed yesterday because of the shelling.

The attack was more serious
than previous pinpricks by the
Israeli gunboats which hover
off the coast. On five previous
themselves with harrassing fire
aimed in the general direction
of the PIO. of the PLO. It remains uncertain whether

the Israelis are prepared to see the evacuation of Mr Arafat and his 4,000 men take place.

At the genamrie headquarters, position position is the position of Major Zein, who commands the paramilitary police in Tripoli, said he thought that the Israeli attack was aimed primarily at

attack was simed primarily at figure was to be found until preventing the removal of Mr recently in almost deserted police headquarters building. These are less impressive than they sound. A few old in Tripoli and on the road to Soviet T-54 and T-55 tanks are port to safeguard Mr guard the earth embankments. Arafat's departure, which protect Tripoli from When the five Greek ships attack by PLO rebels to the still at anchor at Larnaca, yespoorth, but these bore long ago terday—10 hours sailing time. north, but these have long ago terday—10 hours sailing time run out of ammunition, say away—arrive in Tripoli, Mr PLO leaders.

Arafat's men will gather in five

There are, in addition, some places. Lebanese army lorries light anti-aircraft guns which can also be used in a ground-support role, multiple rocket launchers on trucks and heavy support role, multiple rocket launchers on trucks and heavy was going home after fighting mortars. It is not an impressive arsenal and similar weapons could be secured again by Mr Arafat.

It was, therefore, little sacrifice for Mr Arafat, gringing more breadly than ever to as they can.

ning more broadly than ever, to as they can.

Delight in Tel Aviv that

declined to give on-the-record show our abhorrence that these

'terrorists sweat it out'

BY OUR TEL AVIY CORRESPONDENT

ISRAELY officials vesterday

comments on Mr Yassir Arafat's

decision to delay the international evacuation operation, but showed their delight at "making the terrorists sweat it

Tamil United Liberation From (Tulf) on the vexed issue of minority Tamil demands for regional autonomy.

Tomogrow's eight-party conference comes five months after the ugly outburst of anti-Tamil violence that cost about 400

lives. The state insurance cor-poration said yesterday that it

has received compensation demands from Tamii factory

owners and shopkeepers ex-

Bandaranaike.

ceeding Rps1.4bn (\$55m).

economic recovery 'at risk'

Pakistan's industrial sector has been struggling to stay affoat in the face of—until very recently—continued political unrest which has seriously affected production in the Sindh province. The State Bank urges "a stepped up effort to improveexport competitiveness."

The authoritative review of the economy in fiscal 1982-83 (year-ended June 30 1983) by the Central Bank also emphasised yesterday that effective steps are needed to ensure a wider income distribution.

ference from the Finance Ministry, the bank's views are still considered fairly independent, though some of its data collection tools are as faulty as those used by the government itself.

The Government of President Zia has maintained that it brought the inflation rate down to a single digit since it imposed martial law and seized power in July 1977, from a 15 to 20 per cent annual average during the executed Prime Minister Zulfikar Ali Bhutto's rule in

independent economists, however, challenge the govern-ment's inflation rate figures, and maintain that it has by now bounced back to a more alarming level of 20 to 25 per cent a year.

will pick them up and carry them to the port. Pakistan's per capita income in constant prices (of 1959-60 equals 100) has remained in A Lebanese militiaman who the Rs 650 to Rs 700 range for the last four years, while

On the plus side, the bank notes a "significant" increase in a significant increase in private investment, but added that the rate of gross investment has slowed as a result of sluggishness in the rate of

Exports rose by 13.3 per cent to \$2.63bn, while imports declined by 4.1 per cent to \$5.53bn. The trade gap, as a result, shrank to \$2.91bn, from \$3.45bn a year earlier.

payments recorded a deficit of \$435m—a considerable improvement from a \$1,5bn deficit in 1981-82. When the long-term capital account (net) is considered the net basic balance indicated a \$430m surplus in 1982-83. The gold and foreign exchange

\$2.8bn a year later.

Pakistan's

PAKISTAN'S spiralling inflation rate and a woefully low level of savings is threatening the country's fragile economic recovery, according to the country's central bank. Lower imports and increased exports, have helped Presi-dent ul-Haq's regime to trim its chronic current account

Despite its declining authority, as a result of constant inter-

The low inflation rate claimed by the government is based on incomplete cost of living indices, and a consumer basket which dates back virtually to the Rai

The State Bank advocates "a relentless effort" to step up domestic savings which are critically important in the present international aid environment resulting in low availability of all types of

Commenting on a 5.8 per cent annual growth of GDP, at conper cent in 1981-82, the re-port urges "a meaningful and equitable distribution of income, and a reduction in the poverty level."

it moved from its Rs 2,482 to Rs 3,500 over that period.

the state sector investment.

The current account balance o

out."

The Israeli Navy first started shelling Arafat positions around Tripoli on December 8. Officials have acknowledged that Israeli best served by the dispersal of interference must cease once Greek ships flying the UN flag begin evacuating the 4,000 Arafat guerrillas.

There has been considerable internal debate, however, over whether Israeli interests are best served by the dispersal of the 4,000 Arafat guerrillas or leaving them in Tripoli, surrounded by Syrian-backed PLO rebels. reserves increased from \$1.5bn on June 30 1982 to

billion dollar rescue package to bail the Philippines out of its \$25bn debt crisis are poised at a delicate stage. Although final pleces of the jig-saw are now being moved into position, several details remain to be settled. The delay that this entails-

it was originally hoped that a deal would be in place by mid-December—is increasing con-cern among bankers, business-men and diplomats about a fresh burst of political tensions as workers are put on to shorter working weeks or laid off al-together because of the halt in

The crisis was precipitated by a huge outflow of so-called "fright" capital in the weeks following the assassination of the popular opposition leader Benigno Aquino in August.

But it is now generally agreed that the omens of trouble on the debt front were clearly visible months earlier, as Philippine government agencies and banks borrowed increasing amounts of short-term debt to meet their foreign

Western hankers acknowledge that the signs were missed, and express surprise that the Government did not call a moratorium on principal repayments of its escalating commercial debt much sooner than Octo-ber 17. More significantly, the Government has now confirmed the seriousness of the present crisis: the Philippines has also failed to pay interest on the commercial debts since October,

despite its promise to do so.

Negotiations since the announcement of the moratorium have been conducted on three fronts: with the International Monetary Fund. with a 12-bank advisory committee representing some 350 commercial bank debt negotiations, Mr Jaime creditors, and with governments and multilateral lenders such as the World Bank and the Asian The fond hope is that a re-

national boycott of the May 1984 parliamentary elections saying they were a trick to strengthen President Ferdinand Marcos's rule, AP reports from Manila. The Nationalist Alliance, headed by former Sr Lorenzo Tanada. and the movement for Philippine Sovereignty and Democracy - locally called Kakbay -led by Jose Diokno claimed in separate statements that the elections were also designed to preserve U.S. interests in the Philippines.

Two Philippines opposition

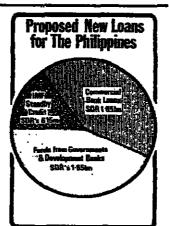
groups called yesterday for a

Delays in debt talks may fuel tensions, writes Chris Sherwell

peat of the Brazilian experi-ence can be avoided, and that in a single operation the prob-lems of the Philippines economy can be confronted without the risk of an unexpected default. Inevitably, several key parti-cipants are withholding final agreement until the terms of an IMF package are in place. In turn, the Fund's work is being complicated by apparent defici-encies in the statistics it has to provide a standby credit of SDR 615m (£449m), and in return the Government will impose a conventional IMF work on (an IMF team is now in Manila gathering more data and assessing whether its proposed economic targets are

admitted to Manila external debt of \$18bn until Just a few weeks ago. Then it confirmed that the figure was \$24.9bn, and last Friday Mr Cesar Virata, the Prime Minister, acknowledged that there were additional foreign obligapresent and close to 20 on the tions which did not count as debt but which amounted to some \$1.5bn.
Some Western bankers in

At one point in the past three than \$3ba.



months, the Central Bank is believed to have been forced to adjust its reserve figures by \$500m because of a fault in the way they were being recorded. Nevertheless, once the IMF plan is submitted to the Fund's Executive Board, the other elements of the bail out will be finalised. All this is now scheduled to occur in January. As matters stand, the IMF will

austerity programme.
This is expected to incorporate controls on the size of the budget deficit and curbs on domestic credit, but probably not a further devaluation of the peso, whose exchange rate has fallen from 8.4 to the dollar in

Agreement on the IMF money will permit commercial banks to put the finishing touches to their own package. closest government ally in the This comprises new money debt negotiations, Mr Jaime totalling \$1.65bn, a rescheduling of existing medium and governor, has found his credibility impaired by the confusion over figures.

At one point in the past three

Manila prepares for big bailout seeking \$1.65bn in fresh funds from other governments and the development banks. A \$83m tranche of a World Bank structural adjustment loan was released recently, and up to 00m will be available in 1984 to finance raw material imports. A sum of up to \$150m from the World Bank and up to \$130m from the Asian Development Bank has also been ear-marked for the import of agricultural inputs such as ferti-liser, and both agencies are apparently ready to advance money for development pro-jects amounting to more than \$50m.

It is understood that these two agencies are including some politically sensitive con-

In addition, the Manila government hopes to receive more than \$1bn through direct bilateral help, principally from the U.S. and Japan. A meeting of the Paris club of industrial country donors is likely in

February.
The Philippines would like a rescheduling of some of its re-payments on loans from the U.S. Agency for International Development (AID) and Japan's Overseas Economic Co-operation Fund.

operation Fund.
Several U.S. agencies, including AID, the Commodity Credit Corporation, Ex-Im Bank and the Economic Support Fund, have advanced or promised a total of \$370m for a variety of

Japan has been asked to copvert \$250m earmarked for 12 projects into straight balance of payments support. This is still under discussion, but reports from Tokyo suggest the response will be positive. Japan's Ex-Im Bank is also likely to furnish up to \$200m worth of credits

President Marcos has yet to prepare the country's 52m people for the tough austerity programme which he will have to implement in return for this financial support.

Shake-up plan for Australia's top jobs

By Colin Chapman in Canberra

SHAKE-UP of the Australian public service, giving MPs greater control over appointments, is proposed by the federal government in a White Paper, which was published yes-

terday. Departmental heads would be appointed by the Governor General on the recommendation of the Prime Minister, and only have a tenure of five years. After that, they would be shifted or retired, although some terms of office could be extended.

The top strata of the career public service, known as the Second Division, would be abolished in favour of a Special Executive Service, where all jobs would be open to outside competition.

This move is designed to en-courage more interchange between business, commerce and industry and the Canberra

The appeals system for senior jobs, under which all promo-tions are only provisional until completion of a lengthy review by a committee, would be abolished. At present even those who did not apply for an

right of appeal.

Ministers will be able to hire more outside consultants, and both they and MPs will be able

advertised vacancy have the

Secret service chief resigns

MR JOHN RYAN, director of the Australian Secret Intelli-gence Service (ASIS) resigned yesterday, writes Michael yesterday, writes Michael Thompson-Noel in Sydney, His resignation follows a bungled mock-terrorist raid on Melbourne's Sherriton Hotel by 12 armed ASIS agents cartier

The first £70 a year of interest from a National Savings Ordinary Account is free of all UK Income Tax and Investment Income Surcharge. For example, if you deposit £1,167 before the end of

December 1983 and keep it in for the whole of 1984, you will receive the full tax-free benefit of £70. Husbands and wives are each entitled to this amount of tax exemption.

GUARANTEED RETURN

The Ordinary Account offers a guaranteed return of 6% p.a. on balances maintained

at £500 or more for the whole of 1984. Whatever happens to other interest rates in 1984, this one will not change.

WHAT TO DO

Open or top up your account so that you have a balance

of £500 or more by 31 December 1983

• Keep a balance of at least £500 from 31 December 1983 to 1 January 1985

- and you will get the guaranteed rate of 6% p.a. Additional deposits will also earn the 6% rate for each whole month of 1984 the money is earning interest.

(Other balances will earn 3% p.a.)

Husbands and wives are each entitled to this amount of tax exemption

READY ACCESS

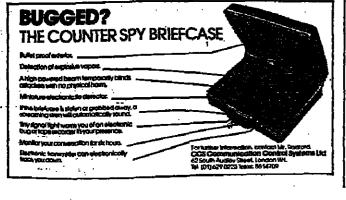
We offer a guaranteed return and ready access to your money. You may draw from your account whenever you want - to earn the 6% all we ask is that you keep at least £500 invested for the whole of 1984.

ACT BY 31 DECEMBER To qualify for this attractive 1984 opportunity, invest before the end of December 1983.



You can open a National Savings Ordinary Account at the Post Office. If you pay by cheque, make it out to "The Post Office" and cross "A/C Payee."

NATIONAL SAVINGS-ORDINARY ACCOUNT



PRESIDENT Junius Jayewardene of Sri Lanka tomorrow
launches his first big political
effort to contain the country's
racial tensions and to negotiate
a settlement with the separatist
Tamil United Liberation Front
(Tulf) on the verted issue of
second-class citizen and hardly Several smaller opposition parties will attend tomorrow's talks. President Jayewardene re

jected an opposition request to invite the Peoples Libera-tion Front (JVP) and the Trotskyist NSSP. Accused of involvenment in the July riots. these two parties are banned, and their leaders in hiding. The Tamil Federal Party, a constituent member of the Tuli party, declined government invitations after it consulted the Tulf leaders, now in Madras.

day.

Her party, however, will support President Jayewardene's idea of inviting the Tuif party for an all-party conference after Christmas. The question of Tuif participation at the next conference is the main topic of temporary's talks which will Tomorrow's meeting will not take up any substantive issues tomorrow's talks, which will also decide on a formal agenda like regional autonomy, land settlement, education, jobs, language and the powers of the proposed regional councils, all issues to be negotiated with the Tulf party.

These questions emerged in alks in New Delhi between Mr Jayewardene and Mrs Indira Gandhi, and in Colombo with Mrs Gandhi's special envoy, Mr G. Parathasarathi.

It is already clear that the two most sensitive issues are the right of proposed regional councils to amalgamate and the powers that these council should have. Last week six Buddhist prelates warned the government not to concede the right of amalgamation and to vest only limited powers in the

Paris likely to urge cross-Channel optical fibre link

forward for discussion with the tems.

They say the link could be British Government in coming months an ambitious plan for an optical fibre communication

The plan, revealed by Paris officials close to M Laurent Fablus, the Industry Minister, has a high symbolic value and would also represent a signifi-cant chance for British and French companies to collaborate on bidding jointly for sub-marine cable contracts.

The project is the latest in a series of ideas being pushed vigorously by the French Government for stronger communications and energy links between Britain and France. Apart from work going on now for a two-way electricity cable to swap off-peak power between Electricite de France and the Central Electricity Generating Board, discussions have also been taking place on the idea of a cross-Channel gas pipeline.

French officials would like a blish a central axis for the Eutelsat.

FRANCE SEEMS likely to put two countries' individual sys-

used for purposes such as transmission of business doculink between London and Paris. ments, exchange of TV programmes and — a symbolic if not evidently profitable notion video-phone communications between Mrs Margaret Thatcher President Francois

British officials however, take take a more prosaic view of the uses of a London-Paris link. They say the idea would probably be worth exploring only when the commercial need-for between the two capitals, for instance—arises "It's a nice idea at the symbolic and pre-sentation level." said one official. "But someone's got to pay for it. It's not very likely in the short run."

The British Government is also likely to point out that an optical fibre link could partly duplicate TV and telephone transmission links being served London-Paris optical fibre cable already by the family of Euro-to precede the laying down of peam satellites being put into extensive cable TV networks in orbit by the European space Britain and France in order to telecommunications organisation

nations in the Organisation for

The impact on international

trading patterns of the speeded

been non-tariff barriers.

EEC to bring forward planned tariff cuts

THE EEC yesterday made a ges-ture towards checking the the 1985 and 1986 tariff cuts tospread of protectionism by gether at the beginning of 1985.
agreeing, under certain conditions, to accelerate a series of planned tariff cuts.

Sether at the beginning of 1985.
But the EEC will not act tions, to accelerate a series of planned tariff cuts.

Foreign ministers of the Ten, meeting in Brussels, also under- Economic Co-operation and took to remove quantative Development do the same thing. import restrictions on imports Japan in fact is already one from the poorest countries.

Japan in fact is already one from the poorest countries. The tariff cuts were agreed during the 1970s round of multi-

that time the industrialised marked. Industrial tariffs are mations said they would reduce industrial tariffs in eight stages major constraints to trade have been constraints to trade have from 1980 to 1987. The EEC, however, made its
cuts from 1985 onwards conditional on the state of its econoTokyo Round cuts because that

mic health. Ministers have now would be a signal of the general refined this condition. would be a signal of the general desire to roll back protectionism,

They expect economic growth as the leading economic nations to move up to 2 per cent a year agreed at their Williamsburg and if this trend is confirmed summit earlier this year. Computer deals race in India nears end By John Elliott in New Delhi

Control Data Corporation of the U.S. and Bull of France have been shortlisted by the Indian Government for a computer development project worth up to \$30m which is intended to provide the country with most of its large and medium sized main frame machines in the next few

At present Control Data is thought to be ahead in the race, but pegotiations are continuing with the Indian Government trying to insist on tough terms.

The contract is being placed at a time when the indian computer and general electronics industries are being opened up to international technical collaboration for the first

The market it expanding rapidly. Sales of mini and micro computers have micro computers nave doubled for the past two years. Some 1,500 units were imported this year and a further 1,000 made in India. When the main frame project is under way, the Department of Electronics in New Delhi expects that about 30 per cent of the \$600,000 cost of each computer will initially be imported.

It is planned that about 100 computers will be produced within two or three years by the foreign col-laborators, in partnership with a new Indian public sector corporation linked loosely with the existing Government - owned Elec-

tronics Corporation of India. The Government will probably discourage imports of similar computers when production has started. At Deaseut about 30 to 50 mainframe computers are licensed for import every year but the potential market is much larger because most work already computerised in developed countries is done

by hand in India.

An order for Control

Data would give the U.S.

re-entry into the Indian computer market following the acrimonious withdrawal of IBM from the country in 1977-78. The Indian Government wanted IBM to dilute its ownership of its Indian

Andrew Fisher reports on the sharp decline of ship orders

EEC prepares defence of shipyards

EEC OFFICIALS, alarmed at 51.5 per cent for Japan and which the shipbuilding industry with a telegram shippuilding industry, are look-ing hard at ways of directing The world future government aids to boost productivity and prevent yards from being totally swamped by cheaper Far Eastern comepti-

The industries of member states have cut capacity and jobs sharply in recent years. But this year has proved disastrous for most EEC yards, with Japan and South Korea picking up most

In the early months of 1984. therefore, several ideas which have emerged during talks between Brussels officials, governments and the industry could be refined and made ready for action.

These include linking financial support to investment in new computer, laser welding, point research and development no sign of improvement over the programmes, and making favourable credits available for any EEC shipowners to place orders in any EEC yard. Further capacity reductions would also be required.

be required.

EEC shipbuilding industries

Any general economic recovery
had never had less than 17 per — shipowners have recently
cent of the world order inflow
reported an uplift in trade on
some routes—would take time first nine months show they to reduce the capacity surplus pulled in only 9.8 per cent of "and cannot be expected to put new orders compared with an end to the problems from

the said state of the European 16.1 per cent for the fast-growing is suffering."

order placed by the loss-making year to March 31, 1984, show Sanko Steamship at Japanese the severity of the problems in yards. The European industry, the EEC industry. West German and many shipowners, are highly critical of this order. which the Japanese say was commercial and not directed by the Tokyo government to help the domestic industry.

But most of the ire of EEC officials and shipbuilding managers is now directed at Korea, where prices are much lower even that those of Japan and which has been expanding its industry during a time of

Persistent

"The crisis in the shipbuild-ing industry has deepened with

to reduce the capacity surplus

The world order book has nationalised British Ship-actually grown slightly this builders, which expects a trading year, due largely to a massive deficit of £120m in the financial yards are also in trouble.

In Tokyo this month, EEC officials pressed the Japanese on the size of their market share and also asked if they intended to try and persuade the Kossans to madanta their the Koreans to moderate their drive for business.

The exchanges occurred at a meeting of the Organisation for Economic Co-operation and Development's working party on the industry. Since Korea is not an OECD member, there is no direct way of putting pressure on it.
EEC officials who were at the talks later said the Japanese

were uncompromising and did not respond to suggestions that they should try to persuade Korea to help push up world prices for new ships, which have fallen some 30 per cent in the last two years.

Prompted by the dire state of merchant shipbuilding in the EEC and the poor prospects for

8 per cent interest for a loan of 80 per cent of the vessel's cost repayable over 8; years.

The aim of such a scheme would be to treat the whole of the EEC as a home market for shipowners in member three. But details of bear it jobs, the European Parliament last month passed a resolution urging the EEC Commission to take action.

Japan back credits for Jamaica Commission, from the Socialis Euro MPs, asking for shipbuilding to be declared in "a state TWO state-owned utility comof manifest crisis." One of this

of manifest crisis." One of this 125-member group, Joyce Quin of South Tyne and West. a major UK shipbuilding area, said action needed to be fast. Agreement on new productivity methods would not close the huge cost gap with the Far East. penies in Janua ca have rescived suppliers credits totalling 53 5m to allow them to pur chase aggrancing from com-panies in Japan and Canada. The Overseas Economic Cooperation Fund of Japan is backing 140m in credits for the Jamaica Public Service Com-pany, the island's sole electricity producer, for pur-chasing two stow mend dissel-

Canada,

chaing two slow speed desci generators of 20 Mw each. The Jamatean company will also be-purchasing 56m worth of assorted equipment from the Montreal Engineering pany under credits granted by the Export Development Corporation of Canada and 57m credit will go to the Jamaica Telephone Company to purchase switching equipment from Northern Telecon and the Mitel Corporation, both of Ontario.

Iran buys Toyota Landcruisers

Poyota Motor Corporation seld to has won a large order from the Iranian Government for its hour-wheel-drive Landcruiser, Reuter reports from Tokyo. The company derlined to put a size on the order but the finances. cial daily Nilson Keizai Shimbun said Iran had ordered 7.200 Landervisers worth method Y20bn (£50.1m) to shipped by next March.

Buring power deal
NORCONSULT, a Norwegian
civil engineering consultancy
firm, has won a contract worth
nearly 23m from the Electric Power Corporation of Rangoon, Burna, to play and manage the implementation of a major power transmission projects, Fay Gjester writes from Osio.

Hydro-electric order A Japanese-Indonesian con sortium has won a Y35br (588.8m) order from the Perusahaan Umum Listrik Negara, Indonesia's electricity board to build a hydroelectric 500,000 kW power station in Cirata on the Citarum river, Java, by early 1988, Mitsubishi Corporation said Renter report from Tikyo. The consortium comprise Takes Conjugation Mitsubia

and

Caribbean dilemma over tax deal

BY CANUTE JAMES IN KINGSTON

Caribbean, eager to be bene-ficiaries of a U.S. trade incen-tive programme scheduled to start on January 1, are finding that they are being asked to bow to Washington's demand for tax information on U.S. clients of offshore banks.

The Caribbean Basin Initiative (CBI), sponsored by the Regan Administration, offers about 25 politically favoured countries in the region duty free access to the U.S. market for a wide range of products for the next 12 years. The Caribbean dilemma is

centred on a tax pact which the countries are being asked to sign with the U.S. The agreement would allow

U.S. business organisations tax credits if they held their conventions in countries designated by President Reagan as CBI tention of signing the tax pact beneficiaries. The U.S. State His country, he said, had made

convention tourist market at up its image as an offshore 10m tourists per year, with a potential worth of \$55m.

Allowing the U.S. Internal Revenue Service (IRS) access to confidential information on banking. SEVERAL countries in the Department has put the U.S. significant advances in cleaning Caribbean, eager to be bene convention tourist market at up its image as an offshore

confidential information on clients of the region's offshore Prime Minister, has been far from happy with the access the IRS will have to information banks would erode the basis of confidentiality on which the region's valuable offshore bankon offshore banking clients in exchange for a piece of the coning trade has developed.

The U.S. interest is based on vention tourist trade. Signing the treaty, said the Prime Minthe belief — on certain know-ledge, claim U.S. Government officials—that illegally earned funds are being laundered by ister, "would require the dis-closure of information which normally could not be made U.S. citizens in Caribbean off-

available for a foreign govern-ment under local law." According to Mr Linden Pind-ling, the Prime Minister of the shore banks. Caribbean countries caught between this rock and a hard place, have not been hiding their feelings. Mr Hudson Tannis, the Deputy Prime Minister of St Vincent, recently Bahamas, his country could gain \$55m per year from the convention tourist trade, but allowing the IRS to prowl in offshore told Washington he had no in- banks would severely damage an industry from which the Bahamas gains \$300m a year.

Norway exports By Fay Gjester in Oslo BOOMING Norwegian sales of

fish products to foreign markets
—particularly the U.S.—are
helping to push Norway's traditional exports to record levels
this year. There has also been
a steep rise in sales of aluminium and magnesium.

In the first 11 months of 1988 In the first 11 months of 1989 exports of goods other than oil, gas and ships were worth NKr 53.6bn (£5bn)—NKr 8.7bn higher than in the same period last year. At constant prices, this represents a rise of about 10 per cent.

Sceptically

"The trouble is," she added

"the wheels grind so slowly." Not all Brussels officials con-cerned with shipbuilding hold

the same views about what should be done, though they generally agree about the need

The home credit scheme for

example is regarded sceptically by some. If agreed, it would enable contracts to be financed

in any EEC yards by EEC owners at terms better than those agreed by OECD members for export orders, which allow

states. But details of how it might be operated have still to be worked out. This year,

Fish sales lead

boost in

Sales of fresh and bulk frozen fish and shellfish from January to October totalled 73,000 tonnes worth NKr 1.6bn, about twice as much as in the same period last year. In-creased U.S. purchases of shrimps, trout and salmon were responsible for much of the

AMERICAN NEWS

Transport safety review ordered

By Stewart Fleming THE REAGAN administration standards in the transportation industry in response to fears that the deregulation of sectors such as the airlines may have

caused standards to slip.

Mrs Elizabeth Dole, Transpor tation Secretary, said that she would not tolerate any erosion of safety in transportation. The U.S. has recently also seen moves to relax standards in road haulage and rail transport. Consumer groups have argued that cuts in the number of inspectors have reduced the effec riveness of safety regulation in these industries.

The proliferation of small airlines that have started as a result of deregulation are causing the greatest concern. Competitive pressures have reduced profitability, resulting in, for instance corporate cost cutting

New Colombian law enables Betancur to seek further loans

BY ROBERT GRAHAM IN BOGOTA

COLOMBIA is expected to seek Guttierez said. This year, three loans totalling over \$800m. Colombia, the most trouble (£563m) in the next six months. free of Latin American debtors, This follows approval by has borrowed \$2.2hn.
Colombia's Parliament on The new debt ceiling will Friday of a new law permitting enable the Government to go the Government of President ahead with major investment Belisario Betancur to increase projects including the recentlythe country's foreign public debt
by \$4.8bn over the next two
years.

Approval for the new law was

Approval for the new law was

Approval for the new law was essential as a precondition for seeking new money since the Government had almost its limit on foreign borrowing. "We had less than \$20m before reaching the ceiling." Sr Edgar Gurtierez Castro, the Economy

Minister said. He added that if the legislaprofitability, resulting in, for instance corporate cost cutting measures.

Deregulation enabled easier entry into the industry and eliminated Government-opposed restrictions on routes, but was intended to retain safety regulation.

He added that if the legislation coffee payments.

The first of the new loans will be a two-part \$370m funding for the national electricity the foreign borrowing between 1983 and 1986 of \$8.6bn.

Colombia's total foreign outstanding debt is \$10bn, Sr

By Peter Montagnon, Euromarkets Correspo

MEXICO'S leading comme (£2.82bn) credit to help the country cover its balance of payments requirements in 1984.

World Bank will also partici-pate — only previously done with loans to Hungary and Thai-Bankers believe the response benchmark of Colombia's credit-worthiness at a time when inter-national bankers are wary of providing further funds to any Latin American country.

rent year.

The next loan planned will be \$250m for the Medellin Metro, managed by Dresdner Bank (a West German Spanish consortium won the construction con tract). This will be followed around April or May by a \$200m elub deal similar to the recent one led by Chemical Bank, according to Sr Guttierez.

Opposition to raising the ceiling on new borrowing was more political than economic. Sr Guttierez came under fire from his own liberal party which is in opposition and feels embarrassed by his presence in the Government.

jects. Further foreign borrowing will also help to cushion
Colombia's reserves against
what Sr Guttierez sees as a continued trade deficit. During
the first 11 months of this year
Colombia's reserves fell from
\$4.7bn to \$3bn. This trend has
been halted by tightening on
imports and through anticipated
coffee payments.

coffee payments.

The first of the new loans will be a two-part \$370m fund-

minder will come from a com-mercial bank loan in which the

The vote is seen as an endorsement of his economic man-agement and should dampen concern among international bankers that he might be forced to resign. Sr Guttierez has been the key figure in dealing with the foreign banks and in pro-viding credibility for Colombia's

Mexico's creditors agree to \$4bn loan

cial bank creditors have agreed to arrange a \$4bn

The amount is higher than The amount is higher than the \$3.5hn proposed earlier by the banks and reflects Mexico's desire to revive its alling private sector with some economic reflation next year. The government of President Miguel de la Madrid also wants to continue abuilding its features. rebuilding its foreign ex-change reserves ahead of substantial debt repayments due

in 1985. A senior Mexican delegation is expected to meet again with the leading bank creditors today in New York to finalise terms on the loan. Despite the increase in the amount it is expected to carry a longer maturity and lower margin than the \$5bn credit arranged for Mexico last winter. That deal was for six years and bore a margin of 2½ per cent over Eurodollars interest rates or 2½ per cent over U.S. prime.

Mr William Rhodes, the senior Citibank executive who

chairs the banks' negotiating committee on Mexico, has argued for some months that the country's dramatic pro-gress in turning its balance of payments round this year justifies easier terms on its 1984 loan.

But in spite of the the general cuphoria over Mexico's current economic performance, bankers are also looking ahead rather nervously to the second half of this decade when debt repay-ments are scheduled to become very large indeed. Worries about this are now

exacerbated by expectations in the banking community that President Reagan will that President Reagan will announce a sharp cut in U.S. commodity credit lending in his budget for fiscal 1985, which begins next October. Some believe that the commodify credit programme, might be cut to \$1bn worldwide from \$2.5bn in the current year.

This would reduce the amount of official U.S. credit available to Mexico, as well as to a number of other financially pressed Latin American Peter Marsh on U.S. plans to sell an earth-mapping satellite

Landsat moves into private orbit

preparing itself for the increas-ingly difficult task of disposing of its \$1bn (£709m) system of

To attract interest in the hardware from the commercial world, the Government may be forced to give the hardware away, or even to subsidise heavily any private firm that takes over the system. Next month the Commerce

Department will formally invite offers from private industry for its Landsat network of remote-

sensing satellites and ground equipment. The system runs at a loss despite the \$1bn that the Government and private com-panies have invested in the hardware over the past decade. According to a Commerce Department official it looks in-creasingly as though the Government will not require bidders to hand over cash for the satellites. The craft take snapshots of the Earth from a height of some 600 kilometres and provide valuable informa-tion for, among others, farmers

and mining companies. Instead, the Reagan Administration may be forced to subsi-dise whoever operates the system to the tune of some \$150m a year in order to attract private enterprise. It is estimated that the around this sum each year to keep the Landsat system in operation. The figure includes cash for capital equipment, such

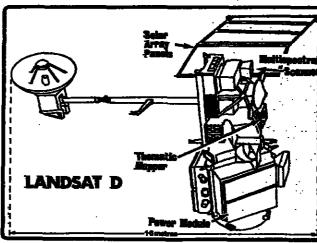
as new space vehicles, as well as running costs.
In remote sensing, vehicles scan the Earth with powerful sensors. The information is passed to ground stations by radio signals. Remote-sensing craft can, for instance, monitor the growth of crops or locate metal deposits.

In recent years the U.S. Government has found it in-creasingly difficult to capitalise on the lead it built up in re-mote sensing when it put into orbit the first Landsat craft in Meanwhile, it is in danger of

Meanwhile, it is in danger of being left behind by France, which will launch two remotesensing satellites, the first in 1985. Aided by investment of some \$400m, most of it from public funds, a company called Spot Image plans to sell data worth \$50m around the world by the late 1980s. by the late 1980s.

The U.S. may also face com-

petition from Japan, which is to put into orbit its own remotesensing vehicle in 1986. Two firm would build a new satellite



years later, the 11 West European nations grouped in the European Space Agency will launch a vehicle to scan the oceans with radar.

In worst vehicle to scan the oceans with radar.

The new pacecraft, according to the scan than the scan tha In recent years, sales have stagnated. In the 12 months to October 1983, the Government

collected \$14m in sales to offset operating costs of \$21m. According to forecasts by the Commerce Department, the picture for 1983-84 looks even worse. Revenue is due to stay roughly constant, with running costs rising to \$30m. "There are a lot of prob-lems," said an official. "There seems to be a fixed number of people who want to buy this kind of information. Also, users have been affected by the uncertainty over what exactly is going to happen to the

Not everyone takes this gloomy view of the prospects for remote sensing. Space America, a company set up a few months ago on the outskirts of Washington DC, says it intends to make an offer for the Landsat system. The firm is confident that, with improved marketing techniques and satellites that use new technology, it can cut costs and operate a remote sansing service.

vice at a profit.

Ms Diana Josephson, president of Space America, is not disclosing the exact nature of the financial arrangements that her company will propose to the government. But she says that the company would need extra investment of only about \$50m to put the Landsat system in shape for the late 1980s.

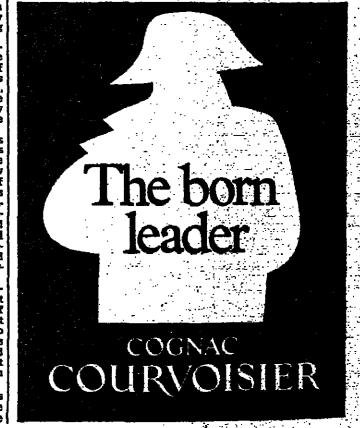
If the Government approves Space America's proposals, the Government's satellites.

Space America has altered; lined up Honeywell in satellite, the sensors, which would fine pictures with a resolution of 36 metres. Ford Aerospace, has agreed to build the satellite, providing the Government approves. Space America's proposals.

The rest of the \$50m position to expent on equipment applicate the spacecraft into orbit. Space America would aim to obtain the each mainly from private investors.

investors. Other fittes are far more reluctant to talk publicly about any plans they have for Landsat Observers believe Hughes, RCA and General Electric may be among those preparing bids. These companies have expressed interest in the Landsat system

Companies will have until March to reply to the formal invitation by the Commerce Department Firms which respond will have to satisfy the The new spacecraft, according to Ms Josephson, would respond will have to satisfy the cost only \$30m, one tenth of the price of a Landsat vehicle. It would use solid-state sensors in stead of the electromechanical devices that feature on the freely available to foreigners.





Make the Athens Marriott Hotel your business centre in Greece.

ensure the success of your business trip

Athers Marriott Hotel is now open and has been designed to cater for all the needs of business travellers - our rooms and suites are 5-sar standard as is the service which ensures you a trouble-free stay.

You can entertain in prestigious surroundings, and of course we have the facilities to enable you to carry on business while you are away from home.

We have in-house TV movies, a roof swimming pool and whithpool Magnill-cent views of the Actopoias.

Everytizing that can be done to ensure the success of your business trip.

UK NEWS

Break-up of Hymac | Windmill expected soon if no buyer is found

BY LYNTON MCLAIN

Caush

HYMAC, part of the bankrupt West with sales and support staff in Nev German IBH group, and once UK market leader in hydraulic excavators, is expected to be broken up by the middle of January unless a buyer is found for the business as a going concern:

Urgent negotiations are being conducted to raise the maximum return for the creditors of Hymac by selling the business intact.

Mr Mark Homan, one of the joint receivers and managers of Hymac and a partner in Price Waterhouse, the official receivers said: "I have offers for the on-going business on the table and I am moderately hopeful that one or two of these will

is in the balance. Steps will be taken to break up the company and sell its constituent assets separately if the talks fail to find a buyer for the business as a whole.

The receivers told the 560 emoloyees of Hymac last week about the state of negotiations with prospective buyers. Most of the staff work on production of excavators at nies looking to take over Blaw the Rhymney plant in South Wales, Knox.

bury, Berkshire, and Cumbernauld

The receivers are unable to sell Hymac as a company. The shares are in the hands of third parties and its liabilities are likely to be extensive," Price Waterhouse said.

Hymac lost £6.6m and had an ac cumulated deficit of £15.5m in the 12 months ending December 1982. The company lost £3.1m after inter est payments in the first nine months this year, on a turnover of

The receivers are making available for sale all the assets of the company and say they will "view favourably a lump sum cash offer for the whole of the undertakings of the company." Purchasers will not be expected to acquire the debtor

• The receivers appointed to ma nage the affairs of Blaw Knox, the British maker of paving machin and part of the Wibau subsidiary of IBH in Germany, say they have had an "impressive queue of big compa-

Plastics aid urged

BY LISA WOOD

BRITAIN'S plastic industry, whose production last year was worth £4.5bn, has called for increased goverament funding for research and

The British Plastics Federation, in a working party's report published yesterday, said the industry received 26.6m a year out of total government support of £1.5bn for industry-related research and de-

Of that £1.5bn, most went on defence, space and civil aviation with "all other industries" receiving France was £224m and for West

The federation said there were

other British industries with lower outputs, which received more government funding than the plastics

The working party said the indus try needed an overall strategy for research and development in key eration should be responsible for the development of a strategic five to 10-year plan, which would be re-

The report suggested that re-search and development should be concentrated in fewer locations.

Government-Funded and development in the UK Plastics industry. From the British Plastic

project costs may rise 50%

By David Fishlock,

BRITAIN'S first megawatt windmill to be built in the Orkneys off the north coast of Scotland, is expected to cost up to 50 per cent

more than originally envisaged. The Department of Energy, which is to build the machine as the culminating step in its wind Treasury for an increase of 15 per cent in its research budget for 1984-85 to cover the extra

the Wind Energy Group (WEG) the consortium commissioned to design the machine, suggests that it will cost well over 13m, compared with about 15m only 18 months ago.

Wind energy is considered to energy source for electricity generation in Britain, since detailed design studies failed to confirm

WEG, which consists of British Aerospace Dynamics, GEC and Taylor Woodrow, has designed a twin-bladed windmill with a variable-pitch propellor 60 metres chine is designed to produce up to 3 Mw at a wind speed of 17 me-

Average windspeed at the Ork-ney test site, although high for Britain, is only 11 metres per second. The windmill is expected to maintain peak output for only about 20 per cent of the time. Its designers are estimating a yearly output of 9,000 Mwh at the nonstration site, on the basis

of experience with two smaller

The Energy Department has been told of the new cost but is from the North of Scotland Hy-dro-Electric Board, and from WEG. One component of the cost increase is a change from a rigid hub to what engineers call a "soit

transmission" in the 100-tonne

nacelle perched on top of the thought necessary to absorb the considerable shock loads, which have led to fatigue failures and signers came to appreciate that it es more advanced tech

earlier this year. Alcoa drom

ically than wind enth

port Unit at Harwell, which acts ent, sees the big Britwindmill as crucial to the



financial network. Bavaria's historical sites and traditional Bavarian friendliness are appreciated

> Bayerische Landesbank, for instance, is not only one of Germany's top banks, it's also one of the country's most outward-looking. Our global facilities include a wholly-owned subsidiary in Luxembourg, tuil-service branches in London, New York, and Singapore plus offices in Johannesburg, Toronto, and Vienna as well as our correspondent

the world over. Yet, few are aware of the

modern, international outlook of its in-

network around the world. Through a growing international presence our capabilities range from buyers' credits in the Far East to roll-over credits in Luxembourg, from interbank money dealing operations to Eurobond issues.

With a balance sheet total of nearly DM 96 billion our resources are substantial. Also, we're bankers to the State of Bavaria, and an integral part of Germany's most powerful financial organization, the Sparkassen network.

Moreover, we are authorized to issue our own DM donds, an attractive investment for institutional investors wanting to spread their currency risk.

Bavarians have a reputation for drive and friendliness which, combined with our international outlook, makes our name worth remembering.



International Banking with Bavarian Drive and Friendliness

Central Office: Brienner Strasse 20, 8000 München 2, Tel.: (89) 2171-01, Telex: 5 286 270, Cables: Bayembank Munich. Branches: London, Tel.: 726-6022; New York, Tel.: 310-9800; Singapore, Tel.: 2 22 69 25. Subsidiary: Bayerische Landesbank International S.A., Luxembourg, Tel.: 47 59 11-1. Representative Offices: Toronto, Tel.: 862-8840; Vienna, Tel.: 66 31 41; Johannesburg, Tel.: 8 38 16 13

Is it really possible to have First Class comfort and pay only the business class fare?

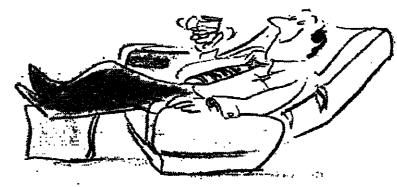
Then Korean Air Lines designed its new Prestige business class it used First Class on other airlines as its minimum standard.

That's why there are only 24 seats, right up front, in our B747's. They're all exactly the same as those in our First Class -soft, leather-covered, luxuriously big and you

have 41 inches of legroom. First class comfort at a business class fare! Superb food, two films en route (with First Class headset), an inflight bar and all the top amenities you'd expect in the highly competitive world of business travel for you to enjoy on a flight that will seem almost too short! How wonderfully agreeable to make economies this way.

Prestige Class. The last word in first class comfort for business people.

Four flights weekly to Seoul: Direct from Paris every Thursday and Saturday at 13h00. Via Jeddah and Bahrain from Zurich every Wednesday and Sunday at 12h20.



We're honoured to serve you around the world

Britoil cancels Scott Lithgow rig contract

an £88m contract in Scotland with lower Clyde for a semi-submersible drilling rig which is two years be-

The management of the yard has said that a cancellation would lead to the closure of the yard and the loss of its 4,250 jobs. However, in a statement last night, the shipyard said there would be no immediate layoffs and that it would challenge the Britoil decision in the courts.

As many as 8,000 jobs could be lost in the local communities of joint managing director of Britoil one month for a drillship.

said in a statement that the comparepeatedly declined to rengotiate e contract. Given past delays and future uncertainties, no client could be expected to continue with it."

date for the rig was April 26 1984, the work. the vessel is only about 30 per cent

Yesterday's announcement was a

British Shipbuilders, hoped to win cost Scott Lithgow £17.000 a day. further breathing space to complete the order by March of 1986.

Britoil ordered the rig for drilling in depths of 15,000 feet or more much deeper than the 100 to 600 feet of the North Sea - to the West of Shetland and in the Irish Porcupine Trough.

The rough waters in these areas make it difficult to operate with tra-ditional drillships. Mr Ford said the semi-submersible would allow a drilling season of five to seven Greenock and Port Glasgow according to one study. Mr Makcolm Ford, months compared with as little as

ny had taken the step with great the next few months what it would sadness. "British Shipbuilders have do about its programme. It could go do about its programme. It could go back to using drillships or it could

complete. Britoil produced diawith a combination of resignation giving it extra time to complete by grams showing that only two units and anger by workers at the yard the early spring. on each of the semi-submersible's and there were renewed calls for

rejection of a submission by Scott intervene with the yard to save the moves to see if Scott Lithgow could Lithgow that the work could still be order following the extended histo- be restructured, and its experience completed by the "drop dead" date ry of delays and failures at Scott building offshore structures pre-of January 1985. Through a series Lithgow which lost £66m last year served.

BRITOIL YESTERDAY cancelled of counter claims, however, the out of British shipbuilders' total yard which in 1980 was designated losses of £117.4m. Penalty paythe lead offshore construction by ments for the Britoil rig would have

> A fundamental problem at Scott Lithgow has been its conversion from a shipyard to an offshore yard with a different set of demands and standards. However, recently the yard's management has tried to show that many of the right changes have been made.

The trade unions too have found themselves locked in a national dispute on wages and flexible working. However, they have said they are ready to talk about more flexible working at the Lower Clyde.

If the court action by Scott Lithgow, which has been expected by Britoil, fails, the yard is expected to start laving off workers in the new year. It still has another semi-subhe woud be glad to place the order mersible rig for BP which is near in Britain, but he doubted whether completion but which will also like-Although the contracted delivery there was a yard that could take on ly miss the "drop dead" date leading to possible cancellation. But the The announcement was greeted yard again hopes to put in claims

Work is also nearing completion pontoons had so far been welded to-gether. government intervention to pre- on a special seabed operations ves-serve the order. sel for the navy. There will prob-The Government has refused to ably also be behind-the-scenes

Strike order to shipyard workers

BY OUR LABOUR STAFF

(BS) yards will be instructed by their union to strike on January 6 over a breakdown in talks on pay and productivity.

About 400 members of the sheet metal workers' union has also decided to issue a strike call. Neither union has balloted its membership.

The key to the national strike, however, rests with the executive council of the General, Municipal and Boilermakers' Union (GMBU), the major union in the industry. which meets today to consider the results of the ballot of its 30,000 members in shipbuilding.

About 62 per cent of those voting

Mr Jim Murray, general secre-tary of the GMBU boilermakers' section, said yesterday that there was little doubt a strike would start three days after the return to work after the Christmas and new year holiday. But it is felt that not all the union's executive council will be convinced by the argument.

With BS battling for survival and many yards facing empty order books, some GMBU leaders may favour selective action which could exempt the most vulnerable work-

hold a ballot on the strike call be- initiative to avoid a strike.

Congratulations

to Robeco on

50 years growth

Nomura congratulates Robeco on achieving net assets of

During the last half century, investors the world over

diversified portfolio. Structured as an investment club,

members pay only the costs incurred in managing their

Yet this vehicle provides the investor with a unique hedge

against possible weakness in his own currency as Robeco itself represents a basket of currencies including $\xi, \xi, Y, Fls,$

Robeco shares can be bought on 19 Stock Exchanges including Amsterdam, London, Brussels, Paris, Frankfurt,

Exchange and are confident that its successful growth in

Japan will continue throughout Robeco's next 50 years.

Zurich, Tokyo and Hong Kong.

Nomura are particularly proud to have been the lead manager at the time of Robeco's listing on the Tokyo Stock

©NOMURA

NOMURA INTERNATIONAL LIMITED

Nomura House, 3 Gracechurch Street,

London EC3V 0AD

The Nomura Securities Co., Ltd.

Tokyo Head Office 1-9-1, Nihonbashi.

Chuo-ku, Tokyo 103. japan.

million in their 50th anniversary year.

DM, Sfr and FF.

Nomura European Network

over £1,470 million and funds under management of £4,000

benefitted from Robeco's insight in forming an internationally

MORE THAN 10,000 engineering supported the move for an indetune cause, it says, its members were workers in British Shipbuilders stoppage. They were looking for a lead and we have given it," Mr George Arnold, union executive member re sponsible for the industry, said.

Of the other shippard unions, the electricians' union (10,000 members involved) and the white-collar union Apex (3,000) are both holding bal-

Anger rose among the unions yesterday over the departure on holiday to his native Canada of Mr Graham Day, BS chairman. He is expected to be away for three weeks, but is said by BS to be willing to return at a moment's notice The engineering union did not for talks if the unions produce any

Lower pay 'would increase jobs for young people'

A CUT of 10 per cent in the average The research does seem to suppay of young people could lead to a port a central contention of the of jobs available to them, according that moderation in pay settlements

The paper, by Mr John Welis, a The Government's young work-

people and their pay in relation to young people if wage rates were adult rates. The Government has lower. been concerned that high wages for

per cent increase in the number Government's economic strategy to a government research paper is the best way to promote higher published today.

Department of Employment econo- er's scheme, which provides for emmist, suggests that a cut in wages of ployment subsidies, was intended about £6 a week could cause youth to encourage companies to offer employment to rise by about 80,000. jobs which would not otherwise be Although the figures are not pre-available. The Department of Emcise, they are intended to illustrate ployment believes that the response a clear relationship between the ic this scheme suggests that many number of jobs available to young companies would employ more

The latest research by Mr Wells young people could be pricing them appears to contradict earlier find-out of jobs. The relationship assumes that tionship between pay and jobs. the level of employment in the However, Mr Wells states that this economy as a whole remains unis because the relationship between changed. Any general improvement pay and jobs did not emerge clearly might have a much larger effect on until the beginning of the 1970s. the prospects for young people than Previous research had concentrated on earlier periods.

Minister gives TUC hope over Airbus

gress (TUC) delegation which yesterday met Mr Norman Lamont, Minister of State for Industry, emerged "very hopeful" of govern-ment support for the European Air-

Government relationships, the delegation reported that common ground had been found with the minister on almost every aspect of the case for launch aid

eral secretary of white-collar engiresentatives of the TUC nationadisagreements between us at all."

ing the Airbus project.

British Aerospace has asked for

MEMBERS of a Trade Union Con- £440m to finance its share of the development work. Rolls Royce wants another El13m to develop its V2500 engine, which it is hoped will power

the 150-seat plane.
Mr Gill said there had been "complete agreement' from the Minister In a further sign of thawing TUC- on the advantages of Britain remaining in the six-nation Airbus Industrie consortium and on the im-portance of the A-320 to the British industry.

Although Mr Lamont had not Mr Ken Gill, the left-wing gen- been prepared to give a guarantee neering union Tass who led the rep- would be positive, Mr Gill added, "our conclusion is that only some lised industries committee, said: kind of political dogma could pre-We could say there were no basic vent the decision being made positively in early January." Last At the meeting with Mr Lamont, month, the Prime Minister remarkthe delegation expressed fears that ed in relation to the Airbus that she the Government was putting the fu- did not want "another Concorde" on ture of the aerospace industry at her hands. According to the TUC risk by delaying a decision on fund-delegation, Mr Lamont said yesterday that there was no comparison

Steel tube group calls in receiver

By Peter Bruce

GROOM & TATTERSALL, the Northamptonshire steel tube producer, has gone into receivership. It is the fourth major setback this year for Britain's private sector steel tube makers.

Receivers said the tube mill which had a capacity of 15,000 tonnes a year, had "suffered losses in the recession in the steel trade resulting in liquidity problems." They said they would be trying to sell the business, and save the 4 jobs at the mill.

If, as seems likely, the business is not sold, UK welded steel tube capacity, of roughly \$50,000 tonnes a year at the beginning of 1983, will have been cut by up to 80,000

In October, Acrow closed its 50,000 tonnes a year tube works near Cambridge. Earlier this year Senior Engineering closed Greens Economiser Group's tube works when it bought the group and transferred some production to its own Phoenix Tube business. That too, has been rationalised.

Probably the biggest retreat from the business involves the recently announced joint venture between the TI Group and the British Stee Corporation (BSC) in small diame ter seamless tubes. TI has merged its big Wednesfield mill with BSCs seamless finishing facilities at Corby. Northamptonshire, but has re tained only a 25 per cent stake in the new business.

Despite the industry-wide cuts pacity in welded tube in the UK is still reckoned to be running at about 100,000 tonnes above the 400,000 tonnes a year level at which analysts believe some price stability would be restored

The private sector, which consists only of Natural Gas Tubes, part of the Caparo Group, Phoenix and TI, has been particularly hard hit by pricing policies adopted by BSC at the beginning of the year. BSC cut its tube prices by up to 25 per cent and very quickly raised strip prices independent tubemakers bought most of their strip from

Groom & Tattersall, with about 4 per cent of the UK market in small diameter welded tube, is also thought to have been damaged by a recent increase in the price of narrow strip, which it was forced to buy because it had no coil slitting

In February, the independent tube producers accused BSC of deliberately trying to drive them out of business and threatened to take the issue to the Government. This initiative died, it is thought, be cause of an expected strengthening of prices in the summer.

TI deputy chief named as chairman

By Ian Rodger

MR RONNIE Utiger has been chosen to be the next chairman of TI, the diversified engineering group, succeeding Sir Brian Kellett, who retires next May after seven years in the chair.

The choice came as a surprise in some quarters because of recent reports that Mr Utiger, who became deputy chairman and group managing director of TI, formerly Tube Investments, last year had ruled himself out

Mr Michael Boughton, the TI di rector who is to become the next deputy chairman, said that this impression arose because Mr Utiger felt the directors should examine the field before he indicated his in-

Mr Utiger, who is 57, has spent most of his career at British Aluminium, the TI subsidiary which was sold to Alcan Aluminium of Canada last year after two years of make possible the exploitation of each. heavy losses. He joined BA in 1961 as financial controller, was manag-ing director from 1968 to 1979 and chairman until the disposal late last

He will taken the chair at TI just as the group, once one of the lead-ing figures in Britain's engineering industry, emerges from four years of drastic rationalisation and restructuring. In 1979 more than half the

group's capital employed was in steel tube and aluminium. Today, it is out of aluminium and more than two thirds of its capital is in specialised engineering, the Raleigh bicy-cle business and domestic appli-

Ti barometer, Page 11

Way clears for sale of state arms factories

By Bridget Bloom, Defence Correspondent

government-owned BRITAINS arms factories are to be given company status next year in a key step towards privatising the compar probably in 1985.

The government yesterday intro-duced a Bill under which the cur-rent status of the Royal Ordnance Factories (ROF) trading fund, under which the ROF operates, will come to an end next autumn.

The assets of the fund will be transferred to a company which Government but will be expected to operate "in a fully commercial manner" under the Companies Act.

Mr Michael Heseltine, the Defence Secretary, said yesterday the target date for company status for the 13 companies in the ROF was

October 1. There was no fixed date and no final plans for privatisation of the companies. Mr Heseltine said, howcapital was likely to take place in 1985. ever, the introduction of private

Fulmar gas pipeline wins state approval

BY RICHARD JOHNS

was announced yesterday for Shellesso's C315m project to build a gas
pipeline from the Fulmar field in the remarked emphasis by the Govthe central North Sea.

The project should also be able to exploitation of gas associated with exploit gas from the nearby Clyde oil production in the North Sea. field – where Britoil is the operator Mr Aliok Buchanan Smith, Minis-

with Esso. The Fulmar platform's processing facilities will be designed to

handle associated gas from a peak output of 180,090 barrels a day, or the equivalent of about 100m cubic feet a day of gas and natural gas li-

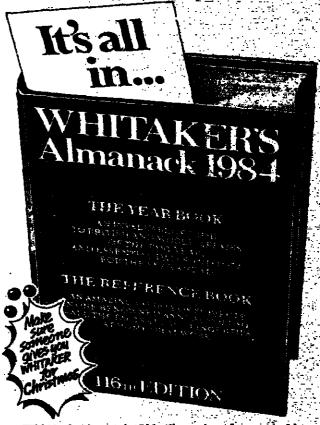
Recently, the rate has reached 125,225 b/d and should peak near to 180,000 b/d. But this plateau could

BRITISH GOVERNMENT approval associated gas from either Clyde or

field - where Britoil is the operator Mr Alich Buchanan Smith, Minisand Shell and Esso are minority ter of State for Energy, and yester partners - upon its completion in day. I am keen to see companies themselves development addition, stimulate the development of other gas projects in the area discovered by Shell in partnership Fulmar gas and liquids will be

Fulmar gas and liquids will be transported through a 5.5 metre pipeline from the Fulmar field to the Shell-Esso plant at St Fergus, Aberdesnshire, where they will be separated. The gas will be pessed on to the British Gas Corporation's plant at St Fergus, while the liquids will be sent by pipeline to the Shell-Esso fractionation plant at Mossmorran. Fife.

morrao, Fife. Shell and Esso are the major



Whitaker's Almanack 1984 tells you just about everything you'll need to know about the past year, such as the General Election, scientific achievements, political and spor events at home and abroad plus all the facts on public holidays, anniversaries, astronomical and tidal data for the year ahead.

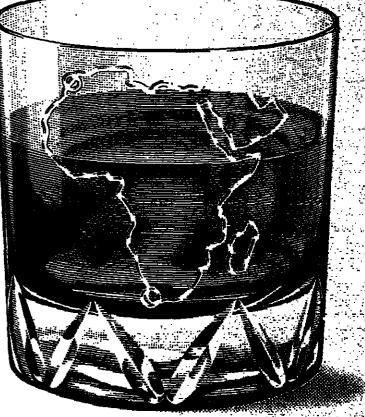
Whitaker also contains a wealth of facts of reference from the Monarchy and the Constitution to NATO and the EEC, from world currencies to lists of art palleries and directories of trade unions - and much, much more! 1,200 packed pages of facts, tables and essential

information. Up-to-date, accurate and at your fingertips. In the bookshops - NOW!

Complete Edition, 1,200 pages (11.00 Shorter Edition without Foreign and Directories section (5.50 Library Edition (Published 12 December) half-bound in leather, with

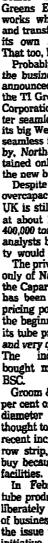
WHITAKER - gives you the answers

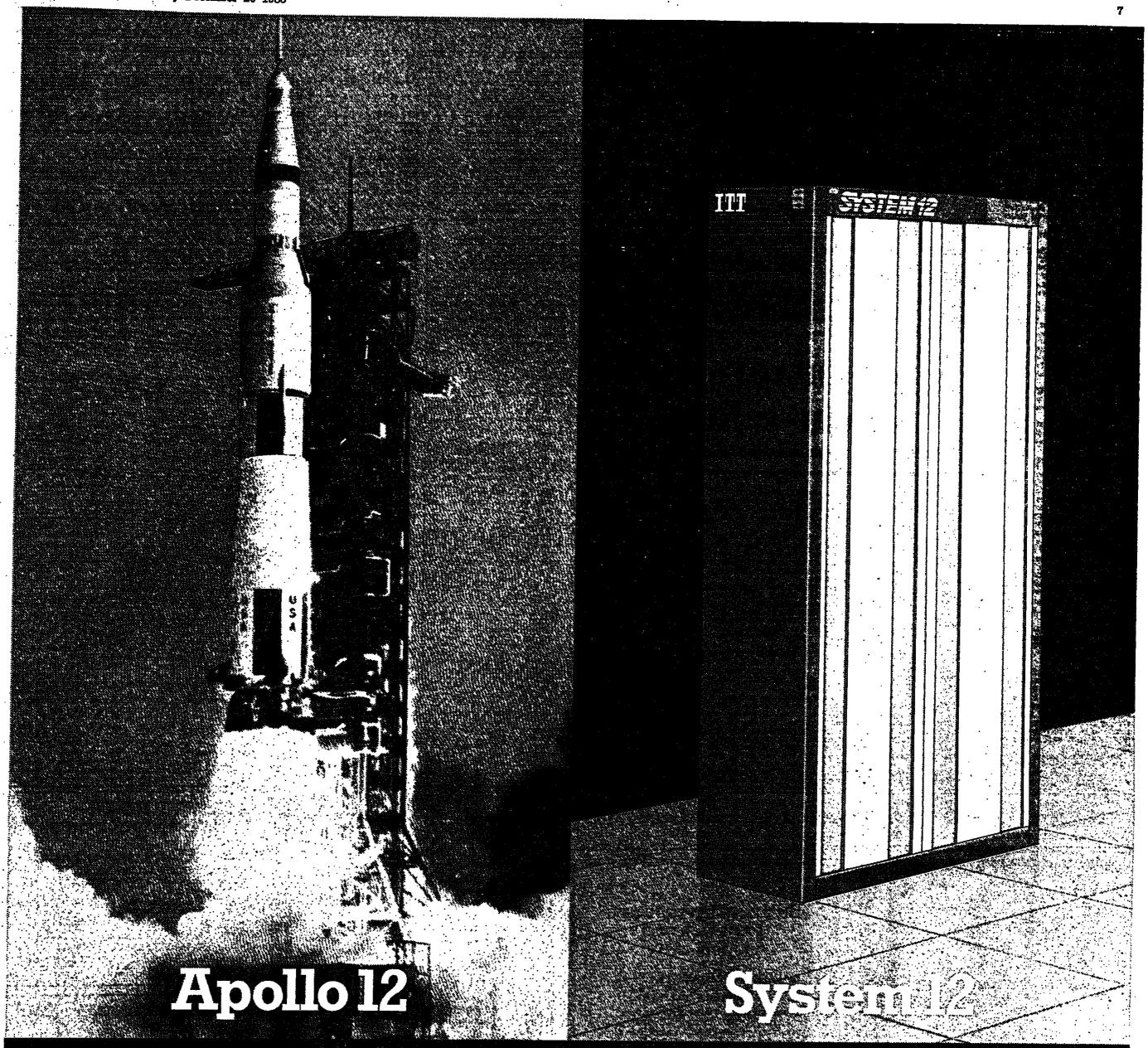
From Casablanca To Cape Town.



Johnnie Walker Red Label

THE CLASSIC SCOTCH WHISKYANYWHERE





Which has the more sophisticated programming?

only why System 12 is already acknow-

telecommunications switching system,

exchanges providing over 3 million

Europe alone. Their brief, on System

12 as on every other project ITT under-

But also why ITT now employs

ledged to be the world's leading

1200 computer programmers in

with awards for more than 900

lines in 12 countries.

takes, runs to one word.

Putting a man on the moon and bringing him back safely took a vast amount of planning, technology of the highest order, and computer programming on an unprecedented scale.

So did the creation of the world's leading digital telephone switching system.

And, while ITTs System 12*
scarcely matches an Apollo manned
spacecraft for dramatic beauty, it
required a similar commitment to
world class programming technology.
Which may begin to explain not

Quality.

Because programming, or software as some people call it, is the

key to all modern electronics systems.

System 12, the product of a \$700 million worldwide team effort between computer and telecommunications engineers, exemplifies ITT's attitude to programming. Uncompromising quality all the way down the line. That's why its current pre-eminence is only the start. Its computer system is so flexible, it will comfortably evolve to set the standard well into the next century.

The best ideas are the ideas that help people.



European Headquarters, Avenue Louise 480, 1050 Brussels, Belgium.

'A trademark of the ITT System

THE MANAGEMENT PAGE: Small Business

WHAT DO Brunel bridges and Morris Minors have in common? Nobody knows the answer to that question better than Charles Ware, avid Brunelworshipper and proprietor of the Morris Minor Centre in Bath.

Apart from both antiques, the great Victorian bridges and those humble, bulbous runabouts share one important engineering principle: they are designed so that parts can be repeatedly replaced and repaired without distorting or weakening the overall struc-

So long as they are maintained, their lives can be extended almost indefinitely at relatively low cost. This means there are real economic and practical reasons for putting money into old motor cars," argues 48 year-old Ware. On the strength of that

simple theme, he has launched simple theme, he has latinched himself in the space of seven years from bankrupt former property dealer to head of a thriving Morris Minor renovation and parts distribution business, with an annual turnover of £1.5m and pre-tax profits of £1.000 in the content of £1.5m. of £110,000 in the year to last

September.
In the New Year, Ware will take over the factory next door to his 6,000 sq ft workshop in an industrial suburb of Bath to start making the first Morris Traveller bodyshells since the range went out of production in

And at next October's Birmingham Motor Show, he plans to unveil updated versions of the Minor and Traveller, with 1.3 litre engines, modern seats and heating, disc brakes, soundproofing, improved suspension, and optional automatic gear-changing—all for around £8,000. "Except for the basic shape, it will be exactly like a modern car," says Ware. But if it sounds too pricey. he is negotiating with a building society for a long-term Morris Minor finan-

cing package — similar to a mortgage and different from the three-year maximum for re-payments which generally applies to car loans. Seated in his tiny, oil-stained office, Ware waxes lyrical about the economic advantages to drivers of so-called "durable"

Since the 1973 oil crisis, fuel efficiency has been uppermost in the minds of car designers, he points out. The result, he says, has been a generation of lightweight vehicles built of thinner-gauge steel than their more solid predecessors therefore with a shorter body

striven to cut labour costs and road.



Charles Ware: "real reasons . . . for putting money into old cars"

A Minor revolution in car-selling

William Dawkins reports on a specialist renovating service

Ware calls "solid state" cars, which are highly efficient for their first few years of life, but thereafter depreciate in value very quickly as they rust and need major mechanical repairs.

Their design means that major repairs are often the result of small faults. If one component of the gearbox packs up, for instance, a solid-state car may need a whole new gearbox. With a durable car, like the Morris Minor, it may be possible simply to replace the

Ware maintains that putting ware maintains that putting fuel efficiency before bodywork and ease of repair is "like throwing out the baby with the bath water," because depreciation forms by far the largest element of the running costs of planned obsolescence cars. planned-obsolescence cars.

He estimates that such cars cost around 22p per mile to run, of which depreciation takes 15p, while a durable car with a slightly higher routine maintenance bill will cost just over manufacturers have half as much to keep on the

Volkswagen Beetles, the Triumph Herald, Austin A40, early Ford Escorts and Cortinas and his own validate his own vehicle—a 20-yearold Mercedes.

Ware also accepts that some modern cars, like VWs, Volvos, Rolls-Royce and Porsches, have durable bodywork, even if they are designed on the solid state

principle.

For 80 per cent of the 16m car users in the UK, Ware's argument is unimportant; they drive company cars, which tend to be kept for only 40,000 miles and losses on them can be written off against tax by the corporate owners.
"But is does mean that those

people in the banger market will no longer have access to cars they can use for 15 years," savs Ware. Ware reached his passion for

Morris Minors via the unlike-liest of routes. Originally an art lecturer at the Slade School, he started a building business in 1963 renovating early 19th-century houses in Bath. By the late 1960s, the property boom had made him a As well as Morris Minors, his millionaire, but the subsequent

rupt in 1971, owing £500,000. He borrowed £500 from friends and turned with no real enthusiasm to car dealing, until it dawned on him that "the structural standards I had applied to old buildings could

just as well be applied to cars." The Morris Minor seemed an candidate because it was fashionable and looked as if it would last. "The cars seemed interesting and the people who owned them had a special rela-tionship with their cars. They seemed like friends." With an estimated 200,000

Morris Minors and Travellers on the road, 10,000 of which change hands annually, there seemed to be a reasonable market. So Ware persuaded his friends to stump up another £10,000. bought eight cars to repair and set up with three workmen in his present premises.

Almost to his surprise, turn-over shot to £100,000 in the first year and Ware—who now employs 30—bad a nine-month order book on his hands.

"We didn't have any real banking facilities, so customers' deposits were our only working product

capital. If you are starting up e business with nearly nothing, you become totally aware of cash flow," he says with grim understatement

Indeed, since that experience Ware has never marketed his services, beyond taking a fortadvertisement Exchange and Mart and relying on press publicity.

At the outset, the strategy was to offer 2 complete, one-off renovation package for Morris Minors, which would turn an aged bone-shaker into an effec-tively new car with a five-year guarantee for up to £2,500. "For some customers, a bill of that size was a real turn-off. We wanted to keep on improving our standards, but there was a danger of pricing ourselves out of the market." says Ware. He was unwilling to provide a cheap short-term repair service,

so turned instead to priority spending schemes. Customers were offered a list of priority works based on a survey of their vehicle, which could be spread over several years to minimise the initial cost.

"We developed a total life support system, which allows a car to keep running for up to 30 years." Ware is now planning a similar package for a staged modernisation based on the car he is introducing next October.

As volumes increased, it became clear that Ware's office was too small to store snare. was too small to store spare

parts.
So the company took a 5,000 sq ft warehouse nearby and, supplied by original Morris mail order distribution service In the past two years, it has grown to take two-thirds of the company's turnover and provide useful cash flow.

The success of the parts business, where half of sales go to other garages and do-it-yourself enthusiasts, highlights the limitations on Morris owners' willingness to drive to Bath for Ware's services. Some customers have come from as far afield as Dublin, but Ware realises that his growth in a specialist market will be limited unless he can spread his net.

For this reason, he hopes to build up a chain of 10 licensed garages, approved and supplied by the centre. The first, attached to the Stormont Ford dealers' bodyshop in Woolwich, London, opened three years ago. Buist Motors. Leyland dealers in Newcastle upon Type, opened a second last autumn. Ware's ultimate dream is to

design and produce his own car to supplant the present genera-tion of durables. The idea has a familiar ring for those who remember the de Lorean fiasco, but Ware is setting his sights on a more utilitarian

In brief · · · ·

A ONE day "Start Your Own Business" course on January 11, geared specifically to the needs of art and design students and graduates, has been arranged by the ILEA Careers Service and the London Enterprise Agency (LEnta). Up to 100 places will be available at £5 each and the venue will be the London College of Printing. The Careers Advisers to the ILEA Art Schools say the unemployment situation is driving more and more of their clients to consider setting up on their own.
Cource details from Vicky
Sargent of LEutA on 01-248
4444 or Angela Dean and
Anne Francis of ILEA on 01-

734 8531. THE Dutch will play hosts to next year's International Small Business Congress (the 11th), due to be held in Amsterdam on October 24 10 Amsternam on Geoder's to 26. During the congress the results of an international survey conducted among 3,600 entrepreneurs in ten countries will be presented and dis-cussed. Details from Congress Secretariat, c/o Organi-satie Bureau Amsterdam bv. Europaplein 22. 1078 GZ Amsterdam, The Netherlands.

> THE plastics, computers, pre-cision engineering and con-sumer sectors have shown the most notable improvement in most notable improvement in performance this year, according to surveys of Smaller Manufacturing Firms conducted by the Confederation of British Industry over the last ten months. "The pattern emerging has been upward, although from a low hase," says Jeremy Pope, chairman of the CBF's Smaller Firms Council.

Firms Comeil.

The closing date for Opportunity Wales, a competition to encourage invention and initiative in Wales, is January 10, 1984. Individuals, groups of individuals and businesses with a turnover of less than £250,000, are invited to enter new product ideas with evidence of petential for manufacture and commercial application. The winner of the competition, which is sponsored by Wales Inter-national Management Centre with the support of the Design Council and HTV Wales, will receive £2,500 and the runner-up £2,000. Details from Wales International Management Centre, 6-8 Albany Road, Cardiff, CF2

Tim Dickson

Venturing into Scotland

BY MARK MEREDITH

London or perhaps one or two Square. But not in a modest company in Fife.

unexpected about Fortronic, one managing director, of the top producers of banking terminals, and its managing director, Hugh Smeaton.

By forming a small constellation of companies feeding goods and services first to the main group company, then to each other and, as they grow, to the rest of the market. Smeaton has taken a crack at some of the substantial problems in developing Scotland's electronics industry.

Two principal problems have been the very small number of financial institutions in Scotland providing venture capital and the difficulties in encouraging adequate manufacturing and product development to product development to her the tendency, for example, towards managerial spin-offs from large corpora-tions developing in service in-dustries such as software

Smeaton, aged 49, over-came both these by establishing, for relatively little money, 14 satellite companies around Fortronic Holdings, giving 25 percent of the equity of each to directors and holding 75 per cent himself.

To use the language of the venture capitalist, Smeaton is a "hands on" manager, injecting the right managerial or technological assistance to help the companies he has set up or acquired get through their diffcult start-up troubles.

Around Smeaton now are a Around Smeaton now are a software house, an international sales and service operation, a distributorship for Wang, a word-processing bureau also offering training, a management service for turnkey projects involving financial data bases, a light mechanical assembly facility to take on sub-contract work such as printed circuit work such as printed circuit boards, a project design coasul-tancy, a specialist software house and a contract research and development firm.

There is also a company specialising in information technology, another making plastic

YOU MIGHT expect to meet a ing house. Total turnover is venture capitalist in the City of now around £2.7m a year.

However, while Smeaton n Edinburgh's Charlotte encourages each company to do its own titing, the holding company in Fife.

But then a lot of things are at times volatile character of its

Smeaton has won numerous admirers and a number of foes as he has sammed home a com-pany philosophy designed to get his staff thinking in terms of customer satisfaction excellence in production and integrity in business dealings.

He is a convert to the business ethic outlined in "In search of excellence" which has become something of a hille for management in parts of the

A group philosophy has been drawn up, much of it taken from the book, and recently Smeaton and his managers held a weekend session to agree on its implementation. Smeaton, a self-made man

who is hardly at home with the more gentrified parts of the Scottish business community, puts it to them straight: "You take care of the customers, and I'll take car of you."

A two-page outline of the philosophy drawn up last month talks of dedication to and placing interests of customers before employees, and comers before employees, and employees before shareholders—heady stuff, perhaps, but the kind of talk that has influenced important clients such as Burrofighs, which recently placed a £21m order with Fortrenic for hanking terminals

Much of the group philosophy is simed at gaining converts to its way of doing things before any such time as the company might either be floated on the unlisted securities market or go for a full quotation of the Stock Exchange.

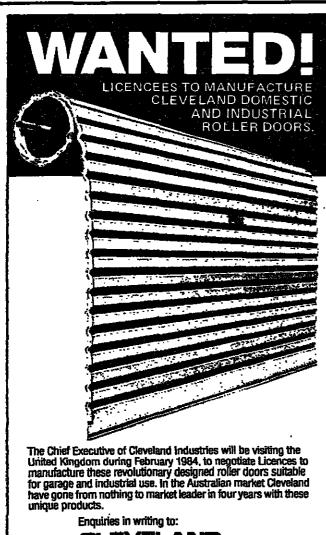
There seems little likelihood of any early flotation, though London Trust, with an effective 31.8 per cent share has just put up £250,000 to boost Fortronic's working capital and it does not think the time is ripe.

Smeaton with a 15 per cent share, is not keen on the idea in the immediate future,

either. By Thomas Peters and Robert

casings for terminals and an Waterman Harper and Row, electronic design and draught-£12.50.

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS



CLEVELAND INDUSTRIES PTY.LTD. P.O. Box 454, Morley,

Telex: AA95250

Western Australia 6062

Telephone: (09) 276 9744

£2.5 million available

FOR MORTGAGES & INVESTMENT FOR MORTGAGES & INVESTMENT
in Small/Medium size Companies
Also residential properties
We offer a complete financial
service package with sound
management advice For jurther details please telep SERVICES LIMITED

Tel: 01-599 5132

1.B.A. INVESTMENTS **NEWTON ABBOT** £34,500 to £720,000 prelets or public comp rental guarantos A. C. FROST & CO

3 High Street, Windso Tel: (075 35) 54555

YEAR END TAX PROBLEMS? LANDLESS

INVESTMENT ADMN. OR MANAGEMENT OFFSHORE Chartered Accountant based British Isles offshore having necessary back-up will handle limited number of portfolios etc Please reply Box F4729 Financial Times 10 Cannon Street, EC4P 48Y

Business Investment/ Joint Venture Opportunity

Our client is a New Zealand company who seeks a corporate partner to achieve the introduction of their operation into the United Kingdom.

The operation offers substantial returns from manufacturing and agent servicing. It is suited to a company with a multi-branch operation and is related to a unique building surface treatment. Alternatively, the business is well suited to an entrepreneur, who would undertake the establishment of owner operators, with the contingent rewards from goodwill and servicing

Goodwill, shareholding and initial and on-going management involvement are fully negotiable, but likely cost will be in the vicinity of £80,000 to £120,000. Sale of the European rights is also open to negotiation.

Our client's directors will be holding full discussions with potential investors from 1 February 1984.

We invite interested parties to write, in the strictest confidence, to the UK executive secretary (New Zealand joint venture).

TIMEL SKMG -Thomson McLintock & Co 70 Finsbury Pavement, London EC2A 1SX

TAX RELIEF INVESTMENT FILM/VIDEO INDUSTRY Investment is invited to finence a new company to exploit opportunities in the film/video industry. Investora will quelity for tax relief under the 1983 Business Expansion Scheme. Profit parantial is high but this is a risk investment and only individuals able to benefit under the scheme will be considered. An investment of £20,000 per individual is snylaged.

For further details write, in confidence, to: The Managing Director
Tuscan Cinematic Ltd Pinewood Studies, Iver, Bucks

DIAMONDS AND PRECIOUS STONES

Five Continents Distributors will sell your diamonds and precious stones on a 30 day consignment basis, or our company will purchase them outright Please contact: FIVE CONTINENTS DISTRIBUTORS

395 Mercer Avenue River Edge, NJ 07661

PROBLEMS? lacturing and Service Companies, seeks challenging opportunities. Location unimportant, will act as consultant advisor, company doctor, trouble shooter, temporary principal stand-in, act. Qualifeations, commensae, experience and well developed stomach instinct. In return, all i roduire is necessarial presentation of the standard of

MY FUNCTION IS TO **CONCEIVE NEW PRODUCTS** If you have sufficient funds available to both retain me to originate a product and for your company to commercially

exploit it Write Box F4682, Financial Times 10 Cennon Street, EC4P 4BY

on Commercial, Industrial. Residential Properties --- at competitive rates Write or telephone: HIRSCH MORTGAGE (INT'L) LTD Furope's leading Mortgage Brokers 15 Berkeley Street, W1 Tel: 01-629 5051 - Tolex: 28374

MORTGAGES

British Company in association with international conglomerate based in 50 countries, have manufactured a unique product that produces a cash income and the business can be expanded to capital available. No selling is involved and the business

requires little overhead. Exclusive areas of operation are available in London and major cities throughout the United Kingdom. Also opportunities available in the United

States and Canada for investors with around £100,000

For further particulars please ring or write to:

Mr. I. Martin M.I. Ltd... 22 Old Steine, Brighton BN1 1EL Telephone: 0273 672226 (6 lines) Telex: 878268 MNBRIG.



Your own representation in Düsseldorf City

West Germany • Exclusively furnished executive offices and conference rooms for 10-30 persons → Multilingual secretariate

 Talephone service with your own telephone line • Telex - mail service - word processing Reception lounge (100 m²) with bar and restauran Rooms for video tilm toverhead facilities OPECE + SERVICE CENTER INTERIM BUROS GMBH

ENGINEERING

Contract press shop with modern sophisticated production plant seeks to merge with similar facility or with company requiring this type of capacity. Sales currently £700,000 plus p.a. with potential for substantial improvement.

Serious enquiries only please telephone: 01-805 2355 ask for Colin Trevers

BUSINESS VENTURES Make the business expansion scheme work for you. The A. K. Opportunity Register provides a unique medium for potential lovestors and Entreprehential lovestors and Entreprehential susinoss people to meet, Whether you seek renture capital, or an opportunity in which to invest. Register NOW 1 Telephone Peter Mason on 01-499 6516 or write to AALSMEER, KNIGHT & CO. P.O. Box 18, Harlow, Essex CM18 65H quoting Ref. BES1.

BUSINESS EXPANSION Investment opportunity in Cosmetics Company. May qualify for tax relief under Business Expansion Scheme. Attractive range of products including unious perfune fregrances and skin care creams. T/o principally export and duty-free trade. Excellent prospects for growth. Principals only please write: Box 14726, Financial Times 10 Cannon Suear, London EC4P 48Y

ZnS — PbS

Company wishes to enter gottation for supply up to 2,000 T/month lead-zince high metal centent ofe on ennual basis Reply to:
SVP PRESS SERVICE Av du Baois de Sapins 43 B-1200 Brussels, Belgium Telex: 63650 SVP PR

LIMITED COMPANIES

FORMED BY EXPERTS FOR £97 INCLUSIVE READY MADE (105 COMPANY SEARCHES EXPRESS CO. REGISTRATIONS LTD. Epworth House 25-35 City Road, London, EC1 01-628 9434/6, 7381, 9936

UP TO £500,000 **AVAILABLE** IMMEDIATELY

for investment in small promising companies. Please reply enclosing details of products etc together with financial information Write Box F4730 Financial Times 10 Cannon Street, EC4P 4BY

TENDER LEASE—PARTICIPATION

-SALE DEEP FREEZING PLANT FINISH Capacity: Over 6,000 tons/year. Storage capacity: 6,600m³ at negative

temperature. Situated in the irrigated zone of LOUKKOS (Morocco). Ideal for all vegetable and fruit crops.

We solicit tenders for lease, participation or sale. For further information and visits, contact: SURLOUK S.A., C/O SEKOM

Raoud Al Andalous, Immeuble Oued Ettaj (Aviation) Rabat (Marcc) Tel: 521-5668/96 Telex: 31064 M

The "Building Block" approach to computer design

Are you about to spend a lot of time and money designing and building your own computer system? Can you see a marketing opportunity that you could exploit if only you had a tailor-made computer of your own? Then give us a call. At Tycom we have a building block approach to computer design, based upon the patented technology embodied in our Microframe. Our approach allows us to design computer systems at a fraction of the cost of original design.

OEM Product Manager
TYCOM CORPORATION
40 New Bridge Street, London EC4V 6BE or phone 01-248 4800

Football Supporters Group

with international links offers directorship and equity interest in sections to be formed nationwide for liaison tasks only. Suited for mature persons, semi- or retired business, and professional men, managers/specialists and companies interested in lucrative and rewarding full/part-time engagement or side line. No direct investment required, Reliable applicants with good references contact:

MR. PETER HORNER, 46 Langbank Avenue, Coventry CV3 2PN

FIBER-SEAL (UK) LTD.

European licensees of the internationally acclaimed fabric care and protection system seek

FRANCHISEES for several European

countries.

Investment from £30,000 Fiber-Seal is a proven success in the interior

design and hotel/office

contract markets.

Contact: John Daglish FIBER-SEAL (UK) LID, 9 York Road

Maidennead

Berkshire

Tel: 0628 782 987

LICENSED DEPOSIT TAKER

URGENTLY REQUIRED. To take over a scheme to reconstruct a provident and investment society, invoken, comiter of hunda and streets to it registered company with a tightles to take deposits. Frailminery Televiolation Only Depth 01-722 1606

OFFSHORE & UK

COMPANIES

READY MADE OR TO SUFT
Jole of Man, Carlobern, Liberts, etc.
Full domicile & zomines services
Sant account opened
SELECT COMPANY PORMATIONS
IN Presport Douglas, 166 of Man
Tel Douglas, 1850; 2378
Telect \$2584 \$2576

- OFFSHORE

TAX ADVANTAGES

Constantial Genified Advice Comprehensive Administration (Comprehensive Administration (Comprehe Workwide OFMS List, Belleterie Heare James VIII, Isle of Men

ħ.

Our intervention is free of charges for the investors. Please, don't hesitate to contact us for all information or requirements.

S. A. STONEHILL, STAS & Cy Avenue des Pâturins, 4, B-1180 Brussels W.P.A. MANAGEMENT ADVISORS LTD. 1, Dunraven Street, London W-Y 3FG

An alternative look at finance for industry. Armoo Finance have a fast and flexible array of solutions for finance

 Capital Equipment Financing Business Acquisition Loans
From £50,000.

 Short/Medium Term Loans and Overdrafts ● Commercial Morigages

Please ring or write now for further details to: Anneo Finance Group 8 Queen Street, Mayfair, London W1. Tel: 01-493 9841.

Azmoo Finance Group.

ARMCO

MANAGEMENT

INTRODUCTION TO

MICROCOMPUTERS

AS A MANAGEMENT TOOL OF THE 804

Personal Tultion and Specialist Training for managers available. One daming for managers available. One delight of the second of the second sec

Translations and interpreting

languages and a great variety

JEAN-PAUL ROCHAT CH-8700 Knanecht, Switzerland Phone 010-41-1 910 58 41, 910 78 77 Telex: 54037 Telefax: 010-41-1 910 98 04 New Branch office in Zürich!

WilliamsEY. Do you need a local spent? We also provide full secretarial services, write to Dupre Associates Left. Chirch Lane. St. Sampion, Gebrisey, L.I., Tel: D481-49773, Tolera; 4191171,

CHAIRMAN'S OFFICE SUITE, inxuriously fursished and immediately available in Mayfact precipe building. Private telex. Phone: 01-437 3306,

PRIVATE INDIVIBUAL

SEEKS BUSINESS

Outright purchase, partnership or substantial equity stake sought by accountant in: Garden Centre - Sports Club Auction Room - Marina

Canal Hire Company £100k-£400k available

Write in confidence to Box G9349, Financial Times 10 Cannon Street, EC4P 4BY

MECHANICAL

SERVICES

Leading HV & AC Company

seeks expansion opportunity in

Mechanical Services Sector

Brief details in total confidence

to Box G9348, Financial Times

10 Cannon Street, EC4P 4BY

PRIVATE

HOLDING COMPANY

A Northern based group seeks profitable companies engaged in Leisure, Hi-Tech, Service and

Distributive Industries Up to £200,000 available

per situation

Principals only raply in

10 Cannon Street, EC4P 4BY

ETHICAL PHARMACEUTICAL

- services in more than 45

COURSES

Turned down by your bank? Highly qualified Bankers Financiers and Money Brokers, Quick decisions o secured propositions in excess of

secured p £50,000. cialise inflinancial packages of ses poyable only when facilities Barling Finance Brokers
B QueenS, Mayfair Lordon WIX 8JN
Telephone: 01-629 7363

SEMINARS

PERSONAL EFFECTIVENESS IN YTS

Enabling trainees to make the most of themselves One day seminars for sponsors, managing agents, staff development officers, etc 11 January, 16 February, 13 March and 12 April 1984 THE GRUBB INSTITUTE
Cloudesley Street, London N1 0HU (01-278 8061)

BUSINESS SERVICES

PensGiftsPens r Advertising Peris & Gitte Promotional Peris & Gifts Souvenit Peris & Gifts Novelty Peris & Gifts Linuary Peris & Gifts Ask for colour catalogues 01-348 8421 (se hous 8424) Telec 28732 EMCPEN G

CITIC THE PEN PEOPLE VENTURE CAPITAL REPORT, 2 The Mail. Bristol. The link between layertment tunds and small business. Investors and entrepressers ries (0272) 737222.

ONDOW OFFICE, Knightsbridge, Facilities for Cassali Parmanent ears, Teles Facularile, Typing, Word Processing, Address & Tel. April Deaths Basil Savices Ltd. 01-730 9958, Teles 8951859.

899 1899.

BEE OUR progressive integination to push forward the frontiers of your market share. Brice Hustro d Umited, Advertiaing and Promotional Services, Nash Houses, St. Marthi's Lane. Norwich. 0503 617837. Contact: G. R. Brice. #22 A WEEK POR EC2 ADDRESS combined with phone message and bales inder 55 a week. Preside offices pear Stock Exclange, Measage Mindos lefter, netdonel, 01-529 0850, Teter 3811725.

BUSINESS WANTED

WANTED PRINTING COMPANY

Small to medium sized printing company wented. Turnover approx. Clam to Elm per annum serviced by a modern litho plant. Small web facility could be an advantage. Strong sales isdger with a good spraed and some specialisation is preferable. Located in the South of England. Lessehold or freshold. Preferably profitable. Principals please toward details in complete confidence to:

The Chairman, Box G9322 Financial Times 10 Cannon Street, EC4P 4BY

MANUFACTURERS OF WATERPROOF & PROTECTIVE COATINGS PAINT INDUSTRIAL ADMESIVES

wish to purchase a small to medium company in a related field. Unprofitable companies and mergers welcome Write Box 68347, Financial Times 10 Cannon Street, EC4P 48Y

MAJOR USA HOUSEWARE MANUFACTURER
with well established subsidiary operating company in the UK desires to acquire UK manufacturer engaged in a similar trade.

Full perturbers in confidence to:
S. F. Emin, FGA, Roth & Co.
15/17 Ridgenount St, WCTE 7AH

WANTED

companies operating car and van fleets in excess of 100 units THE MANAGING DIRECTOR ECOWE BY

BUSINESS **ADVERTISING**

Appears every Tuesday

PLANT AND MACHINERY

ROLLING MILLS SLITTING LINES, WIRE AND ROD PLANT, Tel: 0502 42541. Telex: 336414. Wednesday

BUSINESSES FOR SALE

MORSE FLEXON

Opportunity to acquire the chain making and controls business of Morse Flexon

Situated at Letchworth and Stotfold near to the A1 and motorway systems.

Business occupies very long leasehold premises at Letchworth on 8 acres and totalling 110,000 square feet.

There are also distribution centres in Wolverhampton and Gateshead. Turnover amounts to approximately £6.5 million per annum but product range

Is in the process of being rationalised. A skilled workforce of long standing employees and an experienced management team are currently employed.

Products include a range of automotive, leaf and heavy industrial chains as well as sprockets, torque limiters and other machined products.

Cork Gully

Leasehold Abbatoir with boning

and packing facilities

adjacent to

London and M4 motorway

S.J.L. Adamson C.A.

Arthur Young McClelland Moores & Co. Rolls House, 7 Rolls Buildings

Fetter Lane, London EC4A 1NH

Arthur Young McClelland Moores & Co.

COASTERS ARENA

INTERNATIONAL SPORTS COMPLEX

This major indoor sports venue in central Scotland has

This major indoor sports venue in central Scotland has a 20,000 sq. ft. sprung hard wood floor up to the highest international standard and accommodation for 3,800 seated spectators, or up to 7,000 using part of the floor area. There is considerable promotional potential from varied leisure pursuits with wide-spread TV coverage due to the availability of full purpose-built lighting for televising national and international events including basketball, volleyball and Scotland's first-ever national six-a-side soccer tournament. Roller skating is a daily money spinner and the superbly refurbished stadium houses a sports shop, equipment hire centre, bars, restaurants, changing rooms and executive suites. A seven-day full entertainment Heence has been secured for the leisure complex. Leaschold interest available.

The Receivers have for sale the business and assets of:

*DAVID ROME (LONDON) LIMITED

Top quality London childrenswear manufacturer

SECTIONAL SHEDS

For sale as a going concern the business and assets of shed manufacturer and distributor established 1924. Assets include plant and equipment, stock, work in progress and finished goods. Turnover for 6 months to July 1983 £155,000, premises subject to 99 year ground lease from 1970 at low rent.

Raplies to: HAND & CO 55-59 Newhall Street, Birmingham 83 3RE

Write Box G9335, Financial Times

10 Cannon Street, London EC4P 4BY

sets include:

* Large Stock of girls dresses, aged 1-14 years Substantial spring order book
 Approved range of dresses for next winter season

Interested parties should contact:

Barnard Phillips or Mertia Fishman ARTHUR ANDERSEN & CO PO Box 55. 1 Surrey Street

the leisure complex. Leasthold interest available.

Telephone: 01-831 7130 ext. 4151

For further details contact:

C&L

Richard A. Stone 43 Temple Row Birmingham Phone: 021-236 9966 RARÉ OPPORUNITY TO ACQUIRE ESTABLISHED BUILDERS AND

PLUMBERS MERCHANTS IN NORTH-WEST ENGLAND

in progressive and expanding area suitable for heavy side and other activities. Company has well established trade connections and suppliers but is shost of working capital. Brief prospectus available. Negotiations able to be concluded

Write Box G9354, Financial Times 10 Cannon Street, EC4P 45Y

FOR SALE BY THE JOINT RECEIVERS

Small business specialising in motificing, plastic uccorsting on gold foil blocking, situated in Haverhill, Suffolk, Annual turnaver approximately LTSO,000, Full order book, Offers invited.

A. P. Locke and D. R. F. Sapte BEGBIES 3 Raymond Buildings, Gray's Inn London WCTR 58H Telephone: 01-242 8939

For sale as a going concern JOBBING IRON FOUNDRY

Modern (1979) Purpose-Built Jobbing Iron Foundry Castings up to 2.5 tonnes. Turnover approximately £750,000. 26,000 square feet with additional land. Electrical furnaces and modern plant. Northants.

Principals only apply:
BOX FT/838, C/O ST JAMES'S HOUSE 4/7 RED LION COURT, FLEET STREET, LONDON EC4A 3EB

OFFSHORE BUSINESS FOR SALE

TELEVISION & VIDEO HIRE & RENTAL

This company has a well established rental portfolio and an active retail shop based in a UK offshore tax haven. An ideal acquisition for an established operators in similar business

For information, principals only, apply Box FB1912 Financial Times, 10 Cannon Street, London EC4P 4BY

COMPANY NOTICES

FIDELITY FRONTIER FUND

Société Anonyme d'Investissement 37, rue Notre-Dame, Luxembourg R.C. Luxembourg B 20494

Notice of Annual General Meeting Notice is hereby given that the Annual General Meeting of the shareholders of Fidelity Frontier Fund, a société anonyme organized under the laws of the Grand Duchy of Luxembourg (the "Fund"), will be held at the principal and registered office of the Fund, 37, rue Notre-Dame, Luxembourg, at 11:00 a.m. on December 29, 1983, specifically, but without limitation, for the following purposes:

Presentation of the Report of the Board of Directors;
Presentation of the Report of the Statutory Auditor;
Approval of the balance sheet at August 31, 1983 and income
attenuent for the fiscal year ended August 31, 1983;
Discharge of Board of Directors and the Statutory Auditor;
Election of eight (8) Directors, specifically the re-election of all

b. Election of eight (8) Directors, specifically the re-election of all present Directors, Messrs, Edward C. Johnson Ed. William L. Byrnes, Charles A. Fruser, Hussain Kurokawa, John M. S. Patton, Harry G. A. Seggerman and James E. Tonner and Finimtrust.

6. Election of the Statutory Auditor specifically the re-election of the present Statutory Auditor, Manufect J. Sergant.

7. Approval of such amondments to the

6. Election of the Statutory Auditor, Martice I Sergant.
7. Approval of such amondments to the Articles of Incorporation as are necessary or appropriate to enable the Fund to adopt the status of a "societie d'investissement a capital variable", including amendment of Article 3 to change the purposes of the Fund, Article 5 to change the amount of and manner of determination of the amount of the capital of the Fund, a portion of Article 22 to change provisions as to the limitations on assets available for repurchase of shares, the dissolution of the Fund and the status of reacquired shares, a portion of Article 24 to change the manner of determination of the Net Asset Value of shares, including by incorporation of the Fund's Valuation Regulations into said Article, Article 25 to change various provisions as to subscription for shares, Article 28 to delete provisions as to a legal reserve and to change amounts available for payment of dividends, and Articles 1 and 32 to change references to certain laws to which the Fund is subject, and deletion in their entirety of Article 7, relating to changes in the amount of the capital of the Fund, and Article 23, relating to creation of surplus accounts.
8. Consideration of such other business as may properly come before the meeting.

Approval of the above Items of the Agenda will require no quorum and the affirmative vote of a majority of the shares present or represented at the Meeting, except that the amendments referred to in Item 7 will require the affirmative vote of two-thirds of the shares present or represented at the Meeting, Subject to the limitations imposed by law and the Articles of Incorporation of the Fund, each share is entitled to one yote. A shareholder may act at any meeting by proxy.

The amendments referred to in Item 7 will all be voted on as one proposal, rather than voting on each amendment separately, and if approved will become effective as soon as possible after the Meeting.

The full text of the above amendments in substantially their recommention form and a letter to statement as societed investissement a capital variable is being mailed to holders of registered shares along with this notice of meeting. Copies of these documents will be made available to holders of bearer shares who so request by contacting the Fund at 37, rue

By Order of the Board of Directors

THE INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA LIMITED (I.C.I.C.I.) U.SS30,000,000 F.OATING RATE NOTE: 1981-1991 UNCONDITIONALLY GUARANTEED BY THE STATE OF INDIA

ondholders are hereby informed the rate applicable for the fifth ad of interest has been fixed at that the rate approxime for the parameter of interest has been fixed at 100%. The Coupon No. 5 will be payable at the price of U.S.\$281833 on the at the price of U.S.\$281833 on the distribution of the parameter of the parameter

TRADINYEST BANK AND TRUST COMPANY OF NASSAU LIMITED

Bondholders are hereby informed that the rate applicable to the hith part of interest has been fixed at 10 kg m. The coupon Ma.

WAREHOUSE FACILITIES AVAILABLE IN

CHICAGO AREA Up to 4,000 sq ft inc. Office packaged goods

Write Box G9352 Financial Times 10 Cannon Street, EC4P 4BY

NOTICE TO BONDHOLDERS (6: PER CENT CONVENTIBLE, GUARANTEED 1959: OF ASIA NAVIGATION INTERNATIONAL LIMITED, BERMUDA NOTICE IS HEREBY GIVEN that the Register of Members of World International (Holdings) Limited, 16th Floor, World Shipping Centre, Harbour City, World Shipping Centre, Harbour City, 11th the Comment of the Comment of

ASSOCIATION IS THE LARGEST SINGLE CONTRIBUTOR TO DIABETIC RESEARCH IN THE U.K.

Join us — Help us

Support us

ASSOCIATION

10 Queen Anne Street London W1M 0BD

Video Library Chain & Hi - fi Retailer

大学的**建筑的**是是1000年的

London area

- 5,000 members operating from nine leasehold shops
- Central distribution and service departments
- Business and assets offered for sale as a going concern

For further information contact the Joint Receiver and Manager, A F. Jones, at: Peat, Marwick, Mitchell & Co. 45 Church Street Birmingham B3 2DL Telephone: 021-233 1666 Telex: 337774



GENERATOR MANUFACTURER

FOR SALE AS A GOING CONCERN

Manufacturer of diesel and petrol engine powered generator sets to standard specification or particular customer requirements up to 1,000 KVA S0 HZ and 1,200 KVA 60 HZ. Location Ipswich, The company has a considerable future enquiry and order book for supply of generator sets in several important Middle Eastern countries and is a supplier to HM Government. Initial enquiries to: AP Locke FCA Joint Receiver

Begbies Chartered Accountants
3 Raymond Buildings, Gray's Inn. London WCIR 5BH
Telephone 01-242 6939

OPPORTUNITIES IN SPAIN Take advantage of Spain's future entry into the EEC. We represent a number of PROFITABLE companies number of PROFITABLE Companies for outright sale or requiring fresh capital for expansion Various in-dustries in all parts of Spoin, layestment range (200,000 to £15m REDIRECTION SA Paseo Mallorca, Spain Tol: (34-71) 21 20 46

ENGINE RE-CONDITIONING
FACTORY FOR SALE
Un-to-date factory available, located
in Landon, bush equipped for 3 profitable engine re-tronditioning \$0.000
condition, fur year Modern machiners,
turn strained with elaborienced perstrained with elaborienced

ENGINE RE-CONDITIONING



JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED

> GOLD MINING COMPANIES' DIVIDENDS (All incorporated in the Republic of South Africa

Companies porated in R.S.A. Elsburg Gold Mining Company 26 The Randfontein Estates Gold Mining Company, Witwatersrand, Limited 800 Western Areas Gold Mining Co 40

Late date for registration 27th January, 1984 28th January, 1984 3rd February, 1984 20th February, 1984

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY. LIMITED

Head Office and Registered Office, Consolidated Building Fox and Harrison Streets, Johannesburg 2001.

PUBLIC NOTICES

INTERVENTION BOARD FOR AGRICULTURAL PRODUCE

INVITATION TO TENDER

Tenders are invited for the argent supply of 30,740 tonees of bulk soft wheat for delivery on a feb stowed and trimmed basis to an EEC part. Loading shalf commence no carbor than 25 January 1984 and no later than 8 February 1984 for 15 days. The price for the supply and transportation costs of the soft wheat for the above tenders will be determined an examination of the tenders which must be submitted by noon on 18 January 1984 to Home Grown Cereals Authority, Hamlyn House, High Gate Hill, London N19 SPR. Notices of invitation to tender tagether with tendering forms may be obtained from:

Branch B (Cereals), Internal Market Division
Intervention Board for Agricultural Produce, Fountsia Hause. 2 Queens Walk
Reading RG1 70W - Tel: Reading 1073-1 593655 Ext 388/276

ART GALLERIES

GROWSE & DARBY, 19, Cork St., W1, 01-754 7984, JAMES REEVE, Paint-ings and Watercolours. LE FEVRE GALLERY, 30. Bruton Street, W1. 01-493 1572. Important XIX and XX Century works of art on view. Nov. 25rd-Dec. 21st. Monday-Friday 10-5: Saburdays 10-12.30. MACKINNON & STRACHEY, 17. Savile Row, W1. 01-734 6511. Exhibition of 19th century English and French Water-colours. Mon.-Fri. 10-5.30. ODETTE GILBERT GALLERY. 5. Cork St. London. Wi. The newest gallery in London specialism in living British artists is new ourn. Mon FFR 10-5.30. Sat. 19-1. Tel: 01-437 2175. PARKER GALLERY, 12s-12b, Berkeler Street, London W1X SAD (opposite Mayfair Hotel), Tel: 01-493 5303. RICHARD GREEN, 4 New Bond St. W1. 01-499 S48? EXHIBITION OF 19th & 20th CENTURY FRENCH PAINTINGS. Daily 10-6. Sats 10-12. RICHARD GREEN, 36. DOVE St., W1.
491 3277. CHRISTMAS EXHIBITION
OF VICTORIAN PAINTINGS UNDER
66.000. Until 22 Dec. Mon-Fri. 10-6:
10-12-30.

RICHARD GREEN, 36 DOVET SI. WI 491 S277 CHRISTMAS EXHIBITION OF VICTORIAN PAINTINGS UNDER E5,000 Close, 22 Dec. Mon-Fri 10-6; 53th 10-12-36.

CLUBS

RAMON'S NIGHTCLUB RESTAURANT.

A2. Dean Street. W1 Where roday 2 businessman can relax and enjoy and exclusing evening. Various caparet acts throughout Charming and discreet dancing partners available. Does highly 9 sm to 3 am.

91-437 9455.

CLASSIFIED ADVERTISEMENT RATES

Effective January 3, 1984

Commercial and Industrial Property Residential Property Appointments	767 line Minimum 3 lines 9.50 7.50 10.00	column c Minimun 3 cms 53.00 25.00
Business, Investment Opportunities, Business for Sale/Wanted	9.50	33.00
Personal Motor Cars	7.50 7.50	25.00 25.00
Hotels and Travel Contracts and Tenders	7.50 9.50	25.00 33.00
Book Publishers	_	net 15.50

Premium positions available (Minimum size 30 column cms) £6.00 per single column em extra For further details write to: Classified Advertisement Manager Financial Times, 10 Cannon Street, EC4P 4BY

CHHISTOPHD.

5 1 1 AND PINHER g it some titals. , which is \$100°

. . .

Supporter

mus.

مرسود. مرسود مرس

1 5 E F

We wish to acquire contract hire

COMPANY

Required for acquitishion by modium sized UK subsidiary of multinational pharmaceurical organisation. We size seek to acquire ethical pharmaceurical products under licence for marieting by our substitution of the color of the Please write in strictest confidence to: Box G9214, Financial Times 10 Cannon Street, ECAP 4BY

SMALL PRIVATE VITAMIN BUSINESS with \$20,000 available income

yearly. Price £60,000
Established 9 years. Audited
Accounts until April 1983
Write Box GB37, Financial Times
10 Cannon Street, EC4P 4BY

ENGINEERING

COMPANY

Own product range, Freehold factory close M1 in Midlands. Trading profitably. T/o Uzm. Employs 50. Owning group wishes sale to reduce group garing. Principals only please to:

Box G3338, Financial Times 10 Cannon Street, EC4P 4BY

TRAVEL AGENCY for safe (non ABTA) Small and well established in West End. Telephone 01-408 1097.

FIELD Opportunity exists to acquire business with new product. Investment of £200,000-2500,000 required. Good future prospects.

U.S.A. DISTRIBUTION

MEBICAL DISABILITY

Write Box G9341, Financial Times 10 Cannon Street, EC4P 4BY

Inventory receiving and shipping services provided for small industrial components or

U.S.\$150.000.000 FLOATING RATE NOTES 1981:1983 RETRACTABLE AT NOTENGLIBER'S OPTION IN 1987 (Guaranteed by Ente Nazionale Idrocarburi—E.N.I.)

In accordance with the provisions of the Reference Agency Agreement Botween NBE Finance (Cayman) Ltd., and Clübenk N.A. dated June 15, 1982, hotice is hereby given that the Rate of interest per 1259, does not never the result of the late of l

NOTICE OF RATE OF INTEREST NEE FINANCE (CAYMAN) LIMITED US\$40.000,000 GTD FLOATING RATE SERIAL NOTES 1987

By CITIBANK, N.A. CSSI Best. Reference Agest

December 20th, 1985.

COLLEGE FOR SALE 5,5000 sq. ft. 12 Rooms CENTRAL LONDON, BRIGHT, SPACIOUS, MODERN Please apply Box G9351 Financial Times, 10 Cannon Street, London EC4P 4BY PRECISION ENGINEERING

Arthur

ANDERSEN &CO

Company in Croydon for sale as going concern. Includes long, valuable lease of 6,500 square foot

18th 70.

The couron No. 5 will be mayable on the 19th of June 1984 at the price of U.S.5555.99 representing 183 days of interest, covering the period of interest, covering the period approximately 19th June 1984 kinclusive. The Reference Agent CREDIT LYDNNAIS LUXEMBOURG

PERSONAL **FACT** THE BRITISH DIABETIC

> HELP DEFEAT DIABETES

BRITISH DIABETIC

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4B Telegrams: Finantimo, London PS4. Telex: 8954871 Telephone: 01-248 8000

Tuesday December 20 1983

A single market in Europe

IT WILL take more than a mere have started later than others. merger between Philips of But the ingredients are: efforts Holland and Grundig of West to control government borrow-Germany to create a "European ing, a clampdown on eligibility solution" to the problems for and benefits of social created by the success of Japanese manufacturers in the European market for electronic consumer goods. Past experience of European combinations across national frontiers confirms that there are no quick fixes available in restoring Europe's competitiveness. Philfixes available in restoring Europe's competitiveness. Philips and Grundig will only thrive if the combined operation can he run rigorously and as one flexible entity by the Philips management, and if the joint company is then permitted to exploit the right opportunities across the whole European marketplace.

Already decided

The right opportunities are those products in which the combined group can stand upon its own feet as an innovator and producer. A senior official of the West German technology ministry, Dr Uwe Thomas, warned recently against Euro-pean companies and government officials becoming obsessed with products like video recorders and video games, where the battle for producer dominance has already been fought and the outcome decided in the 1970s. "We should continue to manufacture first-class colour television sets in Europe — but we should by no means make a second steel industry out of this sector if it gets into trouble." he said. Philips and Grundig cannot expect to be treated like a protected species.

when the present French
Government first came into
office, its catch-phrase in
industrial policy was that
"there are no condemned
sectors, only obsolete techsectors."

Higher priority

The painstaking work of the
EEC's internal market council
of trade ministers needs to be
given higher priority, as they
seek to eliminate unnecessary condemned sectors or sectors of guaranteed success, only well-run companies and badly-run companies."

This change in French per-

Such efforts at a national level to shake up comfortable assumptions and economic rigidities borne of 20 years of mounting prosperity are only the first phase of what is needed. The second is to make the entire European marketplace available to the more effective enterprises which should result from this process. There is already widespread

tacit support for the cause of trade freedom within Europe, but the cause seems to remain low on the collective list of priorities. Partly this is because the EEC's budget problem still dominates high-level thinking. Partly it is because European trade freedom involves a myriad frontier rules, technical norms, service sector conventions and public programment. tions, and public procurement restrictions which can only be unpicked with great labour. And partly it is because it involves fundamental choices as to how dirigiste and protec-

tionist Europe should be.

Now that national economic policies are becoming more rigorous, it is time to devote a great deal more political will to making the European market-place keep up with the times.

sectors, only obsolete technology." Since then, a more
pragmatic view has gained
ground in France, which might
be a determined attempt to give

Since then, a more
member states. There should
be a determined attempt to give be paraphrased: "There are no a European dimension to public procurement policies. The talks between the UK and France exploring the idea of a joint market for telecommunications equipment are a bilateral step ceptions is part of a general in the right direction; it is in shift in national economic capital goods and telecommunicatitudes within the EEC in the cations where the opportunities direction of freer enterprise, for European electronics com-The mix of policy changes panies are most interesting and varies considerably from where the benefits of a unified country to country, and some market are most signaficant.

Leaks, the press and the law

paper is a peculiar one by any able fact about the case is that standards. The document was there was no single point on deposited anonymously at the which all the judges agreed, paper on October 21. It conIn the High Court Mr Justice cerned the tactics to be adopted Scott rested the Government's by the Government to Parlia- case for the return of the docuarrival of the first cruise of copyright than on Switchen 10 missiles at Greenham Common. of the Contempt of Court Act. The Guardian checked the information it contained against emphasis switched to the other sources and eventually security question. Lord Justice published it in full. Last week Griffiths found that there might that the document must be under which the newspaper passed to the Treasury solicitors, and the newspaper had it was the Government's insislittle alternative but to comply. tence that national security was There is no automatic sym-

pathy for anyone—whether in the leaker must be found the Civil Service or in the pri-before he or she leaked somethe Civil Service or in the pri-vate sector—who deliberately leaks confidential information and who does so anonymously. Although in extreme cases, involving say corruption, such behaviour might be justified, this was not one of them. It appears to have been a mischievous leak for political pur-poses, and the Government is quite right to wish to find the

It is the way in which the Government has gone about it, however, that gives cause for concern. The statute involved was Section 10 of the 1981 Con-tempt of Court Act. It is worth

formation contained in a publication for which he is responsible, unless to be established apparatus of the law. sible, unless : be established to the satisfaction of the court that disclosure is necessary in the interests of justice or national security or for the pre-vention of disorder or crime."

many more cases where there is room for doubt.

THE CASE of the document

This lack of clarity seems to leaked from the Ministry of have had its effect on the Defence to the Guardian news-judges. For the most remarknt and the Press on the ment more on the ownership involved-on the grounds that

The whole business seems also to have been conducted with unseemly haste: from the High Court to the Appeal Court within 24 hours. And while the appeal judges gave the newspaper leave to appeal to the House of Lords, they refused to grant an application that the return of the document should be delayed until the appeal had been heard.

thing else-that carried the

Two points arise; one general noting that the section was designed to protect the recipients of information, not to punish them, and that the law had not been previously tested throwing up problems about secrecy. Too many documents are marked secret in the first may require a person to dis- place and too many decisions close, nor is any person guilty are made in private when they of contempt of court for refusing to disclose, the source of in- The result is a temptation to

The particular point is that the judgment in the Guardian case should be challeneged. The paper has the right to go to the Lords. It should do so. For it is doubtful whether the statute has been applied in the way it It can be seen at once that the wording is extremely vague. Although there must be some definitions of "national security" which few people would dispute, there must be to be found in this way, and above all the law needs to be turners to meet more of con-

F THE five previous Japanese Prime Ministers none lasted much more than two years in office. One died, one resigned under a cloud of scandal, one simply gave up the ghost and the other two got themselves into in-superable political difficulties. Now it is going to take Mr

Yasuhiro Nakasone a lot of luck and domestic political skills of a dimension he has yet to display if the string is to be his predecessors were

All his predecessors were from the same conservative party, the inaptly named Liberal Democrats, who have run Japan as the LDP since 1955 and, in a different manifestation, since 1948. As the party presided over the incomparable Japanese economic miracle and its generally successful adaptation to the more straitened circumstances of the last decade, it sometimes seemed to matter little who was personally in charge of the personally in charge of the shop at any given time, so effective was the combination of a broad national consensus, an efficient bureaucracy and a thrusting private sector.

It is not clear if Sunday's general election has changed this fundamentally. In the short term, it has obviously gravely damaged and may even mark the beginning of the end of the political career of Mr Nakasone himself, seen in Washing-ton and Europe as something of ton and Europe as something of a symbol of a new, more co-operative and outward-looking Japan. A weaker, less asertive government, marching princi-pally to a domestic political drummer, seems inevitable.

This may come as a greater shock to the western world than to the Japanese themsesives, who still prize deference more than outspokenness, who have never found Mr Nakasone particularly attractive and who may derive some pleasure in seeing him cut down to size Yet Mr Nakasone was at

Yet Mr Nakasone was at least addressing some of the larger issues of the day, which few other Japanese politicians do. Even if only by default, he was thus giving a sense of leadership to the conduct of Japan's external relations. And Sunday's elections could leave Sunday's elections could leave a vacuum at a patricularly sensitive time in international

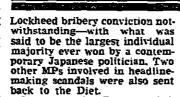
The ruling party has suffered etbacks of comparable magnitude before, and recovered. It did much worse in 1976, for example, an earlier election also dominated by the Lockheed scandal, yet four years later won a landslide victory. Its share of the popular vote on Sunday, nearly 46 per cent, was four points above its 1976 nadir and only two below what it scored in 1980, representing minimal erosion of the base of its support: and it will almost certainly form the next govern-ment because it can obtain the simple majority it lost on its own account this time by coopting enough conservatives from the 16 independents returned to the new Diet. Rarely can an electorate have

offered such a bewildering array of contradictory signals. For a start, in a very un-Japanese way, people stayed at home in record numbers (according to Mr Nakasone because of frigid weather); equally untraditional was the wholesale eviction of many older MPs in favour of the younger generation.
Obviously many Japanese did

vote, or chose to abstain, on the issue of political ethics, which hurt the LDP as the party in power. But they returned the national arch-villan, Mr Kakuei Tanaka-his two-month old Japan's election

Nakasone: suddenly all bets are off

By Jurek Martin in Tokyo



other MPs involved in headline-making scandals were also sent back to the Diet.

Moreover, the Tanaka politi-cal faction did less badly than its principal LDP rivals, thus simultaneously making it more difficult for Mr Nakasone to dis-pense with Mr Tanaka's backing and for the party to free itself of the Tanaka connection by "doing something serious" about political ethics. Just about all the individual politicians who would like to be Prime Minis-ter saw their positions weakened, which may give Mr Nakasone some perverse com-

Perhaps the most clear-cut Jesson was in the opposition's performance, a notable triumph for the forces of the middle and for the virtues of organisation (which the LDP, by running too many candidates, seemed to for-get this year). If one politician's political ethics without resolv-stature has clearly been en-hanced it is that of Mr Masashi Ishibashi, the Socialist leader. who not only saw his party make its first gains in eight years, but who was also the architect of the pooling of resources with the centre parties. Komeito and the Democratic Socialists, in key

constituencies.

Assuming he survives as
Prime Minister, which he may though largely for want of a viable immediate alternative, Mr Nakasone is now going to have to tread very carefully. The outside world can probably forget about bold Japanese initiatives in strategic security affairs or the trade field-and the U.S. may have to forgo an early end to the ceiling that limits defence spending to 1 per cent of Gross National Product (it currently hovers at 0.98 per

In domestic policy largely neglected in the Nakasone first year, similar constraints apply, because the Government is unlikely to be strong enough to ram proposals through parliament, or the bureaucracy. Privatisation of government entities, like NTT, the telecommunications monopoly,

Lockheed bribery conviction not- parts of the railways, will probably proceed more slowly, as will Mr Nakasone's own desire for education reform.

But the first hurdle, and a sure indicator of how the political scene will develop, is the formation of a new Cabinet, presumably though not cer-tainly within the next ten days. For it is in cabinet making that the intricate Japanese art of balancing political interests comes into play; Mr Nakasone's survival even into the New Year may depend on how he handles this task.

His first cabinet, three of whom were defeated on Sunday, was dominated by Tanaka men and his dependence on the Tanaka faction has not been diminished. Yet there is no doubt that all the other fac-tions ascribe their losses to the Tanaka affair and are extremely bitter about it; indeed, the sharpest critics, the Fukuda and Komoto factions, believe the party as a whole

status in the Diet; after the tion, many of them may well support a renewed opposition attempt to call on him volun-tarily to resign. The LDP's losses make such a resolution eminently more possible, but it is far from clear how Mr Nakasone will square such a diffi-cult circle. Compounding the problem is the fact that each faction is ambitious, both for more power

for itself and for the potential Prime Ministers it harbours within it. The current line-up features Finance Minister features Noburo Takeshita (Tanaka faction, though said to be not a favourite of Mr Tanaka himself), Mr Toshio Komoto (his own faction), Mr Kiichi Miyazawa (Suzuki) and Foreign Minister Shintaro Abe (Fukuda, though some say the grand old man himself wants another crack at Mr Nakasone's job before he gets too old), plus others as yet undreamed of—Mr Zenko Suzuki was the

HOW THE FACTIONS WORK

THE FIVE leading factions (Tanaka, Suzuki, Nakasone, Sukuda and Komete) are parties-within-a-party. With the opposition en-feebled for so long, the LDP factions have essentially become the real political action in Japan. The fre-quency with which Government leadership changes hands in Japan invariably reflects factional in-fighting, which in turn generally stems from personality con-

Factions have flourished for two social reasons—the Japanese preference for doing things in a group and the highly developed national sense of mutual obligations. Some factions, most notably that heholden to Mr Takeo Fukuda, are held together by nothing more sinister than

really money, the single most pervasive force in Japanese politics, both during and between elections. In effect the faction acts as the money-raising mechanism, accepting funds from corporations and doling them out to faction members who are, of course, by definition reliable. This can be conducted on an impressive scale; one single fund-raising conducted for Mr Toskio Komoto earlier this year, saw 5,000 guests, mostly executives, paying Y30,000 (about £90.00) apiece into the

Yet their common glue is

Their financial resources are indispensible to any aspiring LDP politician as is the clout they can bring to bear in determining both party policy and the division of patronage. Mr Tanaka is the past master at deploying patronage most effectively.



ing the former Prime Minister's perfect example of a virtual unknown hauled from political obscurity in 1980 to fulfil a perceived party need for a non-controversial interim leader. The factions themselves are also divided into categories,

"mainstream" and non-mainstream." The historical justification for the delineation was to identify those which were part of the original con-servative re-alignment of 1955 which produced the modern LDP; today the distinction depends on whether or not a faction generally supports the Prime Minister and party leader on the main issues of

Presently, the mainstream consists of the Tanaka, Suzuki and Nakasone factions, the non-mainstream Fukuda and Komoto (there are also inde-pendents and a small rump still bearing the name of the late Mr Ichiro Nakagawa). It is, however, a moveable feast. For a long time the Nakasone faction was non-mainstream; Mr Fukuda's the reverse.

However policy differences opposed to more frequent dis-agreement on political tactics, are only sometimes a factor in these divisions. Mr Komoto's advocacy of deeper tax cuts and a greater official commitment to economic growth mark him out as something akin to a British Tory "wet" (it also makes the opposition wonder if he can be seduced away from the LDP to head a coalition government). But the parallel should not be continued too far; the Tanaka faction, for example, which is full of a lot of hard dry men. is also associated with its being, leader's belief in the efficacy of heavy public works spending.

There are also shades of test of Japan's ability to run is also associated with its leader's belief in the efficacy

and the re-writing of the post-American wagon, though another snuap test of national whether out of conviction or opinion.

the tactical necessity of not giving Mr Nakasone too free a rein is a most point.

rein is a moot point.

However, it would be unwise to exaggerate the policy differences, which, political ethics excepted, never really surfaced in this last campaign. Each faction is underwritten by business and each exists primarily to preserve its own solf-interest. Since the spread of opinion between them is usually not that wide, it has often proved quite easy to reach ally conservative framework. It is precisely this predictability, is precisely this predictability, allied to the absence of any real threat from the left, which has enabled the bureaucracy to draft policies in the secure climate of political stability.

climate of political stability.

Japan has been comfortable with the notion of strong central government since Tokukawa Ieyasu united the country in 1690. Today probably only France has a civil service of comparable quality, certainly in the upper schelous. To be a successful bureaucrat in Japan is to know genuine status, and the country's postwar record, while not blemishive, explains why.

Interestingly, the only modern Japanese politician to attempt to tackle the bureaucracy on its terms was Mr. Tanska, especially when Minister of Finance, from which most power flows, in the

which most power flows, in the 1960s, and be is much admired by the civil service, no less, for his performance then. Generally politicians shift around minis-tries much as they do in Britain,

though generally with less impact; sometimes bureaucrass become politicians.

The begemony of the CAL service is not necessarily threatened by Sunday's elec-tions, the Socialist gains not-withstanding; political ethics is but a tangential issue to the

but a tangential issue to the civil service.

Where the bureaucracy has needed help from the politicians is in handling pressure from outside Japan. Over the years, the politicians have fielded, or deflected a lot of this fire, though, in his first year, Mr. Nakusone was something of an exception. He, more than any other recent Prime Minister, prodded the bureaucracy into re-examining its rules and practices (especially in foreign trade). trade). But Mr Nakasone operated

But Mr Nakasone operated during this year from a position of some political strength and this has now been drematically weakened. This political enfeeblement, even if temporary, comes at an inconvenient time for Japan, which faces several pressing problems, externally on defence spending and trade liberalisation—on both of which pressures can be expected to sures can be expected to increase in a U.S. election year—and, internally, on the imperative to restructure the Government's finances. It is likely that the bureaucracy will have to shoulder the burden of meeting these chal-lenges, at least for the time

difference, again moveable, on itself, as it foreign polcly, defence spending used to, by the mysterious osmotic process of consens and the re-writing of the postwar "peace" constitution. Mr
Nakasone was considered a
hawk before he entered office
and has done nothing in the
last year to dispel the image.
The only trouble with this
hypothesis is that the election
appeared to prove that there
was very little consensus on
last year to dispel the image.
The current non-mainstream
was too cold to vote. This may
factions tend to be more
restrained about hitching the
Japanese star completely to the
American wagon, though another squap test of rational

Men & Matters

St. Michael's men

Lord Sieff, the man who guided Maorks and Spencer into its present premier position in British retailing, has finally decided to step down as chair-in fayour of Mrs Thatcher's favourite civil service axeman Lord Rayner.

The move is to take place next July after the company's annual general meeting. It coincides with a wholesale shake-up at the top of Britain's largest and most successful retail chain. Out into retirement go Michael Sacher, vice-chairman; John Samuel, finance director; and directors Frank Hirst and Vernon Osborne. These Vernon Osborne. These directors have been with the group for between 28 and 35 years.

In comes a trio of young blood to add support to the 57-year-old Lord Rayner. Andrew Lusher and Don Tragmar have both made their names in such newly-important areas for M and S as meanswear and new product development.

But the surprise among the new men is Keith Oates who was headhunted as finance director because of his wide expertise in handling the international currency markets.

Oates is currently the finance vice-president of Thyssen-Bornemisza, an international industrial holding company. His appointment is unusual for Marks in that he comes from totally outside the company's sphere of operations. The usual route to one of the plum jobs in British commerce normally comes via a family involvement, or after many years seasoning as a senior

executive.

Lord Sieff will become president of the company and will above all the law needs to be turers to meet more of con-clarified.

Shooting will start in March on Hanson Trust, the acquisitive clarified.

Shooting will start in March on Hanson Trust, the acquisitive clarified.

M and S, under Lord Sieff's leadership, has established itself as one of the main champions

On camera

of British-made goods.

Britain.

Goldcrest Films ad Television, symbol of the revival in the British film industry, has chosen an American, Sandy Lieberson, to be its chief of production. "But he's a very anglicised American," insists chairman and

chief executive James Lee. Lieberson is a former president of worldwide production at Twentieth Century-Fox, and. at present, vice-president, inter-national, for the Ladd Company. He first came to London from Hollywood in 1965 to take charge of the UK and European operations of a U.S. talent agency, representing such clients as Peter Sellers and the Polling Course Rolling Stones.

Three years later, he founded his own production company, Goodtimes Enterprises. And the following year, he brought David Puttnam in as a partner. Together they produced over 15 films including Bugsy Malone, That'll Be The Day, Stardust, and Brother Can You Spare A Dime.

Lieberson, aged 46, was also involved in the backing and distribution of Putinam's Chariots of Fire, and as he takes charge of Goldcrest's development of film and television programmes, will renew the hitherto successful relation-

Puttnam's production of The Rilling Fields is near comple-tion after 16 weeks' shooting in Thailand, the U.S., and Canada. Another of his films, CAL has just finished shooting in Instand in Ireland.

At Goldcrest, on the other Hanson's trust

Credit rating

The Washington-based Institute of International Finance—the bankers' monitor of per-formance in debtor countries is about to get a German heavyweight as its deputy managing director. He is Horst Schulmann, aged 50, economic policy adviser to Helmut Schmidt during his years as German Chancellor.

German Chancellor.
As Schmidt's personal
"sherpa," Schulmann heiped prepare the ground for Western economic summit con-

Schlumann is no stranger to Washington. He was employed there by another "workaholic" boss. Robert McNamara, then head of the World Bank.
Schulmann will be joining Andre de Lattre, of France, already named managing direct already named managing direc-tor of the HF. Both formally take up their jobs in the new year when this initiative by the private banking sector will finally get under way. It is more than two years

since a group of banks began

to discuss the creation of a body which would provide them with better information about world's debtor countries. Many leading banks have since joined Cut prices in-but there are still some notable absentees. One is Deutsche Bank, the biggest in Germany. Schulmann is a persuasive man, perhaps he will tempt his cautious countrymen

and a major film is being which slapped in a £170m bid for London Brick last week, has never disguised its admiration for Mrs Thatcher and all she spinner so far.

which slapped in a £170m bid for London Brick last week, has never disguised its admiration for Mrs Thatcher and all she stands for. If anything, the praise in this year's annual report is more fulsome than

"The overwhelming vote cast by the people of Britain in the 1983 general election in favour of clear leadership, determined resistance to inflation, return of freedom to the individual and the policy of shrinking the bureaucratic state, was a water-shed for the UK," gushes Lord Hanson in his chairman's statement.

As usual, shareholders are treated to a newspaper cutting lauding the virtues of Conservative philosophy. This year Hanson includes an article from round the Daily Mail which proclaims played a big hand in putting together the European Monetary System in 1978.

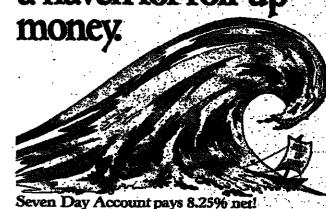
Schlumann is no stranger to disclose that Hanson is prepared to put its money where its mouth is. Last year its contribution to Conservative Party funds doubled to £80,000.

The company has every reason to be satisfied with the current political environment. Since 1980, its earnings per share have more than doubled. And Lord Hanson himself has little reason to complain. Yesterday afternoon, as he was delivevr-ing hism aiden speech in the House of Lords, it emerged that his salary shot up from £87,000 to £140,000 in the year to Sep-

Poor surgeons can no longer blame their tools. The magazine Hospital Doctor has some useful Christmas gift ideas in its latest discount shopping list. It offers hand saws in six sizes, and planes capable of providing " a precise and regular cut, and superb surface finish."

Observer

Abbey National have a haven for roll-up



New taxation laws seem certain to make offshore "roll-up" funds lot less attractive from January 1st. Now's the time to consider the alternatives. Where else can you enjoy a high return with ready access to your money? If you are a taxpayer, you will have to look a long way to beat the current rate offered by Abbey National's Seven Day Account.

Beats banks, markets, finance houses. Our rate of 8.25%, net of basic rate tax, comfortably exceeds the net

return from such commonly recommended "accessible" high interest deposits as money markets, local authorities and Czefas quoted finance houses. As for conventional clearing bank deposits, our net even exceeds their gross! and the first terms of the con-

Only seven days notice.

Whether you consider it as a permanent harbour or temporary haven, the Seven Day Account will welcome you back on shore. Your money is readily available on seven days notice of withdrawal, with no financial penalties whatever for withdrawal.

The maximum investment is £30,000 (£66,000 for joint accounts)

The minimum just £100. Come in out of the storm To: Dept., 7.D.B., Aibey National Building Society, PREESOST: United Kunedom House, 180 Oxford Street London W18-592.

I/We enclose a c	podne a	umbere ed ea	d	in a Se					
branch in				.VWe u	ndersia	nd that	the A	والدي عدا	YAY)
Full name(s)					- S. A	:	<u> </u>	. F	166
Address	:	<u> </u>		?	2.	41. • ₅ .	<u></u>	10.0	
					Pe	and i	*		١.
					7.2.		· ·		<i>.</i>



BRITAIN'S ENGINEERING INDUSTRY

The TI barometer swings back

By Ian Rodger

MR RONNIE UTIGER, whose nomination as the next chairman of TI was announced yesterday, will take over just as the group appears to be regaining its position as a leader of Britain's engineering industry.

TI, formerly Tube Invest-nents, is one of a handful of ments, is one of a handful of large engineering companies, including Guest Keen and Nettlefolds, Vickers and John Brown, that in the past always had a special position as a barometer of the country's industrial health. industrial health.

All have suffered major reverses in the past four years. All are now at various stages of recovery. And all have had to restructure their operations in the battle to survive in an TI for example, has

 withdrawn from most of its " metal-bashing " traditional businesses and is going instead for strong international tions in a few specialised engineering "niches."

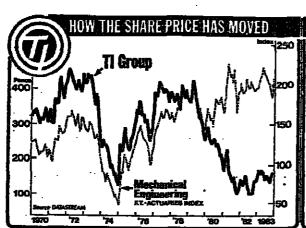
• restored the competitiveness of its big domestic appliance of its big domestic approach to business and is well on the way to doing the same at its Raleigh it all began to go wrong. The post-1973 oll crisis slump post-1973 oll crisis slump the company's plan in plant and product overhauls

built up its presence in the stable, but highly competitive, markets of the U.S. and Western Europe while reducing its interests in the former colonies and other less promising markets. Europe and the U.S. now account for about two-thirds of TI's overseas sales, compared with roughly one-third in 1975.

Yet for all this, TI still lacks a clear identity. Sir Brian to underperform, Kellett the retiring chairman, It was an man says the group now "has a shape for Sir Brian Ke that should serve it well." But many analysts are still looking for the logic which links two large consumer product busi-nesses with a handful of largely unrelated engineering

amorphous shape. Founded in 1919 to consolidate a number of tube-making and tube-using companies, it expounded upprices forced TI to sell its 50 recompanies, it expounded up. Seel works. In the same year, ining down the steel and s

しょう とき数 がっさんりょうけん



control

This evolution never had any

apparent logic and some moves,

such as that into machine tools, have never produced a useful

as chairman. But much worse was to come.

pany, British Aluminium.

aluminium com-

End 1982: £346:6m

appliances. In 1959, following concentrated on the engineer-a landmark bid battle, it inging business. from peak profits of £80m pre-tax in 1978, the group tumbled into a £23.1m loss in 1981. The 1981 dividend was less than a third of the 1979 payout; the market capitalisa-tion of £50m in late 1981 was

Sir Brian took the chair. Sir Brian insists that TI was already planning to concentrate on higher value products when the sharp downturn in its undercut the company's plan to repair its balance sheet following a spending spree. A rights issue raised £13.8m in fortunes occurred. But to many analysts it sometimes seemed 1975, but, to the dismay of the

Gity, TI came back two years later with a call for another Take aluminium, for example. In the late 1970s, the industry was booming. BA's contribution Doubts about the group were to TI profits jumped from £1.6m in 1973 to £11.7m in 1977. When soon reflected in the share price, which had previously moved roughly in line with the the opportunity arose in 1978, TI raised its stake to 58 per FT-Actuaries mechanical engineering index — as a good barocent and described aluminium

market, the company became a crippling burden on TI. It was resses with a handful of argely unrelated engineering citivities.

In 1979, Raleigh's market sold at a distress price and TI bases in Britain, the U.S. and had to absorb more than £50m Nigeria crumbled. In 1981, the in losses and write-offs in 1981 amorphous shape. Founded in slump in steel demand and and 1982.

It is more difficult to be per cent stake in Round Oak critical about the delays in run-steel Works. In the same year, ning down the steel and steel

Meanwhile Raleigh was taking more limited than elsewhere in long and costly time to sort TI, but its steady contributions but. When TI acquired it in the turnover and profit have been crucial to the group durionce in the UK bicycle market ing the recession. Last year, it a long and costly time to sort out. When TI acquired it in 1960 Raleigh was the dominant force in the UK bicycle market with a 75 per cent share and a worldwide presence. But its share of the British market slid gradually over the next 20 years only a third of the level when

The company had failed to respond to demand in the industrialised countries for sophisticated bicycles, and it remained too dependent on the sale of basic models to Third World users.
Raleigh is now in the midst

of a three-year modernisation programme at Nottingham budgeted to cost £15m, more than four times its depreciation rate. The product lines have been revamped and the emphasis on integrated produc-tion and assembly dropped.

neering index — as a good barometer should. The shares began to underperform.

It was an inauspicious start for Sir Brian Kellett, the shy mathematician who had succeeded Lord Plowden in 1976 as chairman. But much worse Already, Raleigh's UK market Mr Boughton flatly denied that TI would sell Raleigh to a Japanese manufacturer.

> TI's prescription for Raleigh a virtual copy of the one applied to the domestic appliance division 10 years ago, and the results there have been spectacular, Today, most products in the division retain large UK market shares, notably heating and cooking

> The growth prospects for domestic appliances may be

Across the group, meanwhile, the rigorous cash control system introduced in 1979, was also proving a lifesaver.

The total net cost of disposals The total net cost of disposals and closures since 1977 has been £112m, equivalent to a fifth of the total capital employed in 1978. Capital gearing has risen from 27.6 to 50 per cent, but it would be much higher if working capital had not been tightened. The amount of working capital needed to produce £1 ing capital needed to produce £1 of sales has been brought down from 29p in 1975 to 21.4

This improved housekeeping added £138m to TI's cash firw in the past four years, and even enabled the group to make a few positive moves to advance its strategy. In 1981, for example, it acquired King Fifth Wheel, a U.S. maker of aircraft engine rings, for £28m.

The ring business is a perfect example of the kind of specialised niche in which British engineering companies problems. can excel without fear of attack from less sophisticated foreign competitors, Rings, formed from super alloy bars and flash welded, are critical structural components in aircraft engines and industrial gas turbines.

the weld point neither more nor less strong than the rest of

the ring.
TI's Reynolds subsidiary, best known for another specialised product—its high performance bicycle frame tubes—has long had a strong position in the ring business. With King Fifth, it was able to expand its U.S. presence, and the two together account for about half the world market.

Sales are depressed at about £40m this year because of the slump in aircraft markets, but the business is nevertheless very profitable.

Another important niche business for TI is the manufacture of industrial gas cylinders.
Again, considerable know-how
is needed to make them. because of the danger of explosion. TI has long been a leader in Europe and invested £20m in a greenfield plant in Oklahoma in 1977 to establish a U.S. market presence.

produced two-thirds of the group's trading profits and had It now has a 25 per cent share a return on assets of more than in the U.S.

The group has also been

developing two motor com-ponent specialities—seat slides and, as a result of a recent acquisition and joint venture suspension struts.

Even the group's tubemaking operations are beginning to look more like specialised nicohe buesinesses now that the UK stockholding companies have been sold and most of the seamless pipe side reduced to a minority stake in a joint venture with BSC.

What remains, apart from a accessful, stand-alone business in Canada, are the specialised and profitable operations making high alloy tube for bear-ings and stainless steel tube for chemical plant, and the old, struggling welded and cold drawn seamless operations. Sir Brian's view is that even

if the welded and remaining seamless bushinesses cannot be sold, they are no longer large enough to cause TI any

TI is still a very long way from its profit peak in 1978, but most of its businesses do appear to have considerable recovery potential. The management now has to show that the omponents in aircraft engines past of the last few years has nd industrial gas turbines.

Considerable know-how is tion as one of the leaders in equired expectably in making required, especially in making British engineering.

Lombard

More politics for London transport

By Hazel Duffy

THE HOLES in the Govern- and zoning system-indeed, he almost as vigorously by Tory members of the Greater London

week, London Transport will be taken away from the GLC (which is itself due to be abolished). LT will come under the LRT, the new holding company whose board will be appointed by the Transport ent transport modes for years, Secretary, and it will be directly why is the Government merely

port as now (however remote). Central government will be levving a rate on the boroughs to provide up to two-thirds of the cost of supporting LT.

although it appears that the boroughs will not be allowed representatives on the board of LRT. Taxation without representation is one of the more civilised

cries heard in the confines of County Hall at present. The Bill fails to answer many questions on the cost of sup-porting LT. Where will the capital expenditure come from?

Who will pay the interest charges, currently running at \$45m a year, on capital spending incurred in the past by the GLC on LT's behalf? How much financial support does the Government envisage as accept-The GLC is already subsidis-

ing LT from the rates to the tune of about £80m over the level which the Government deems acceptable, and the transport supplementary grant paid to the GLC (which includes paid to the GLC (which includes capital and current spending on roads as well as public transport) has been cut by about one third for 1984-85. Yet Mr Nicholas Ridley, Transport Secretary, says he wants fares to be increased only by the equivalent of the inflation rate, and to

ment's plans for transport in knows it would be politically London are being shot through very unpopular to do otherwise.

More frustrating for London commuters is the fact that the Council as by the Labour majority.

Under the London Regional Transport (LRT) Bill, which had its second reading last avoid duplication of services, fare changes at different times fare that the constitution of the constitutio fare changes at different times and fare levels which are out of step with each other.

When almost every other major European city, and many provincial cities, have managed to co-ordinate their differ-Secretary, and it will be directly accountable to the Government.

GLC members, and many nonbolitical bodies, are concerned

Why is the Government incivity legislating for reserve powers to bring BR's commuter operations within LRT: The provision for "liaison" between the that Londoners will have no two operators has been rightly democratic say in their trans-criticised as simply paying lip service to the problem.

Mr Ridley firmly believes that competition is good for public transport, and a spur to promoting efficiency in LT and BR. Nobody, not even within LT, could argue against the scope for greater efficiency; but will fleets of minibuses, picking up and setting down passengers willy-nilly, do anything but add to the chaos of central London traffic, which is the greatest barrier to the officient expection of layers. efficient operation of buses?

Public transport cannot be run in isolation from other aspects of transport—the car is the greatest competitor to any mode of public transport—yet the LRT Bill, and the White Paper which preceded it, are exceptionally vague about who will be responsible for the co-ordination of traffic control and roads policy, when the GLC is

Transport in London is consistently being compared un-favourably with transport in other European cities-a point which the Government accepts. The solution, says the Government, is to take it out of the political arena. Its proposals, however, suggest that in its haste to hit back at the GLC, the Government is making a political scapegoat of LT every bit as much as Mr Ken Livingstone did with his original

Letters to the Editor

British Airways and route licensing policy

From the Chairman. British Airways

Sir. — In an excellent appraisal in your columns of the proposed Civil Aviation Authority examination of route licensing policy tators perpetuate the myth that scheduled movements at Heath-should British Airways be row is about 37 per cent and of privatised it would be given an total international passengers unfair advantage over its com- about 41 per cent. Although one

more likely—not less—that its the important charter market, policies will be influenced by the total is less than 64 per the harsh realities of the interval. the harsh realities of the intercent. This can hardly be national airline business and viewed as a monopolistic situaby the investment expectations tion.

of both institutional and private

shareholders. Their steward-ship is both rigorous and Second, it arises from the

monopoly. petitors. This view arises from two basic misconceptions.

First, if British Airways is privatised, then it would seem owned airlines, if we include

view that British Airways has a monopoly. British Airways' share of total international Lord King

It is the task of British Air-

St James's Square, SW1.

Noise from the motorway From Mr F. Kirwan.

Sir,-Mr Gifford (December 12) seems sadly unaware that noise is not a determining factor in the choice of a par-A ticular route for a new road." At least not in Scotland. The quotation is part of the response of the Scottish Office to recent objections to the pro-posed route of the M80 at

Those who wish to reduce the environmental impact of new motorways need to do more than merely ensure that the ribbed concrete surface of the Telford M54 is not replicated elsewhere, they need to change the ostrich-like attitude of the fficial planners epitomised in the above quotation.

Frank Kirwan, Mount Herriet Drive,

Advertising and the professions

From the Legal Adviser, Institute of Practitioners in

Sir.—I am not surprised that Mr Best of the British Legal Association (December 10) opposes our advocacy of adver-tising by individual solicitors. What does surprise me, is his suggestion that our arguments are motivated by the prospect of more work for our members. This could not be further from the truth, since very few solicitors are likely to engage the services of our member-advertisingagencies. This is particularly so given that the recent relaxation of the Law Society's rules only permit solicitors to advertise once a week in local newspapers

information about a solicitor and his practice.

Of course, we support Mr Best porate advertising for the soli-citors' profession as a whole. Such advertising, however, can-not convey the reality of not convey the reality of modern practice which is that solicitors are increasingly solicitors are increasingly specialists rather than generalists. As the Royal Commission on Legal Services put it—"The increasing complexity of legislation and case law means that no solicitor can be competent in handling every kind of problem"

Advertising by individual solicitors is needed, therefore, so that the public can be made and provided with the information necessary to make an informed choice of solicitor. Philip J. Circus,

44, Belgrave Square, SW1. The current

EEC crisis From Dr.D. Harvey and

Sir,—It is irritating to see Mr Brittan (December 8) describ-ing the Institute of Fiscal Studies calculation of the con-sumer and resource costs of the CAP as "novel" and "pioneer-ing" when similar estimates been made by various agricultural economists since at least Professor Josling in 1971.
Our own estimates were published in 1981, complete with a are often direct net beneficiaries of the council, simply in terms ology, and we continue to up-date and refine these calcula-

tions are helpful in addressing the current EEC crisis. Britain is faced with a choice between John L. M. Grint, demanding a purely financial 13 Royston Court, settlement in return for a Burbage Road, SE24.

to improve the profitability of this important state enterprise

in the interests of passengers. employees and our shareholder. Our sole shareholder, the Government, has indicated its intention to dispose of its investment early in 1985. It is now a matter for it to decide upon the method and timing of the sale. In the meantime, as professional managers, we must continue to strive to enhance further the performance of the airline of which increasingly the nation can be proud.

ments giving the most basic higher VAT limit, and forcing major adjustments or reform of the CAP. The IFS calculations are irrelevant to a satisfactory budgetary settlement, and useful analysis of the re-

form option requires compari-son of current patterns of costs and benefits with those of realistic alternative agricultural policies. The free trade option would mean an income loss per farm of around £13,000 in the UK, against consumer/taxpayer gains of £250 per household. Clearly compensation payments to producers would be required to make such a change acceptable within the Community. basis of such compensation

needs to be spelled out as a new and workable agricultural policy. Unless realistic alternative policies can be devised, a "successful" UK financial settlement will leave the CAP to go on much as before. Dr D. R. Harvey, Department of Agricultural Economics, The University,

Newcastle upon Tyne. Represented without being taxed

From Mr J. Grint. Sir,-In your excellent leading article on the ratepayers' burden (December 15) you refer to the weakened accountability of councils for their arts sponsorship. I simply do rating levels. The position in not accept that any writer or some inner-city councils is even

costs by the state and by other More disturbing is the ques-tion of whether these calcula-tions whether these calcula-tions halfeld to a calcula-tions to the calculation of t Representation without tax-

ation? John L. M. Grint

Recognition of arts sponsors

From the General Manager,

Sir,-We read (December 13) with interest Antony Thorncroft's article about arts sponsorship, Of especial significance to us was the comment that ABSA's new director intends to do all he can in terms of persuading the media that it makes good sense to give more

In common with many other supporters of the arts we have frequently suffered from reviewers totally ignoring our involvement when sometimes we were actually responsible for creating the event and making the occasion possible. This is in marked contrast to the generous and accepted coverage given to sports sponsors-which perhaps in

some respects has even gone slightly over the top. I do not think many arts their way into editorial columns by virtue of their endeavours. We certainly do not subscribe to such a notion. But is it unreasonable to hope for at least some recognition of arts backing at a time when the Government is doing all it can to persuade more of industry to shoulder the need?

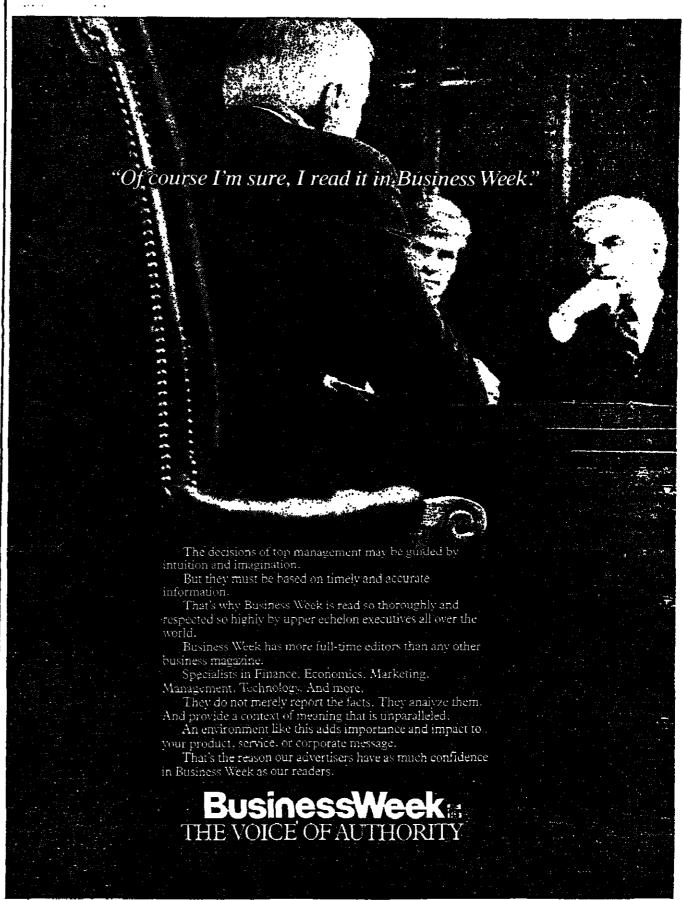
I accept that arts reviewer would perceive their prime responsibility to be the report-ing just of the arts content it-self and I daresay they would argue that those who made the review possible in the first place must merely stand gracefully in the wings catching what crumbs of approval may from time to

time just fall their way.

Frankly, I think this is simply unrealistic and if the arts world is to continue benefiting from the wealth creating sector, I do believe the media generally could, with advantage all round, reconsider its current stance towards the reporting of genuinely worthwhile pieces of arts sponsorship. I simply do publication is in any sense prostituting his, her, or its integrity by so doing.

And as an assurance, I think it highly unlikely that any responsible arts sponsor today would on its part ever attempt to over commercialise its nam or involvement to the detriment venture, or the audience enjoy-

1 Knightsbridge Green, SWL





FINANCIAL TIMES

Tuesday December 20 1983



PARTY CHIEFS ATTACK JOB LOSSES AS TALBOT DISPUTE CONTINUES

French employers under fire

TENSION in France over job losses within industry was heightened yesterday. Leaders of the Socialist the governing coalition, stepped up their verbal attacks on company bosses, as the large Peugeot-Talbot car plant at Poissy, near Paris, re-mained closed by a 10-day labour

stoppage.

M Georges Marchais, the Communist Party leader, launched a fierce broadside against the Patronat, the employers' federation, accusing it of "extraordinary aggressiveness" in laying off employees.

ted the Government against France's largest private-sector company during several months of complex negotiations over redundancy plans throughout the Peugeot group, is still simmering in spite of the weekend compromise limiting layoffs at Poissy.

M Marchais's attack came after a 90-minute meeting with M Laurent Fabius, the Industry Minister. The Communist leader had previously accused the minister of taking too favourable a line towards profit oriented business and of promoting

Fall in £

'will not

alter UK

rather than hindering job losses in sectors such as steel, metalworking.

After the meeting, which he described as "positive," M Marchais carefully avoided aiming fresh barbs at the Government, although it was by no means clear whether he and M Fabius had buried the

M Marchais at least secured agreement on setting up govern-ment study groups to examine the decline in the ball-bearing industry, and the layoff plans of companies

In another side swipe at industry bosses, M Lionel Jospin, the first secretary of the Socialist Party, declared that the redundancies at Peugeot's Poissy factory were not the fault of the Government but had been caused by "management errors of a private group."

At Poissy yesterday, shop-floor leaders of the Communist-dominated CGT trade union rallied workers to continue the strike.

They blamed Peugeot for refusing to negotiate better retraining cy plans forecast for 1984 across a schemes for the 1,900 employees being made redundant. Peugeot said ing and mining industries.



fierce broadside

until at least January 2. The Peugeot controversy has been accompanied by a wave of trade union discontent throughout

France over closures and redunan-

In a reference to the Talbot plant layoff figure - reduced over the ekend from the original total of 2,900 after the Government-inspired compromise - M Jospin said that under a Government of the Right, "probably 4,000 workers would be put on the street."

This sharpening of invective by party leaders and trade unionists follows a string of redundancies across the country in recent months. The Socialist-supporting CFDT union estimates that 100,000 more jobs will be lost in the metal industry next year, while the government statistics institute Insec yesterday forecast a fall of 200,000 in industrial employment between June 1983 and June 1984.

Overshadowed by the Peugeot-Talbot issue, a number of other la-bour conflicts remained on the boil yesterday. Six hundred workers at the Motobecane cycles plant at Saint Quentin in North-east France blocked the Paris to Brussels train to protest at plans for 420 layoffs.

Car workers dig in their heels, Page 2; France may push inflation below 8%, Page 2

London police run 24-hour

policy' By Philip Stephens in London THE SURGE in the value of the dollar will not deflect the British Government from its view that there should be no firm target for sterling's exchange rate, Mr Nigel Law-son, Chancellor of the Exchequer,

said yesterday. Mr Lawson said Treasury officials would continue to take sterling's value into account when assessing underlying monetary condi-

But the actual exchange rate against other major currencies would be left to market forces, with the authorities intervening only to smooth out violent fluctuations

"We do not have a target but we are not indifferent," Mr Lawson told a House of Commons committee in response to persistent questioning from Labour Member of

Parliament Mr Austin Mitchell. "I don't believe there is any halfway house between the sort of policy we have and a fixed exchange rate." Mr Lawson told the commit

The pound's recent slide against the U.S. currency reflected "the strength of the dollar, not the weakness of sterling," he said, adding that the pound's trade-weighted index had been remarkably stable since January.

The Bank of England has intervened regularly on foreign ex-change markets in recent months, but the authorities have insisted that these are smoothing operations, designed only to calm disorderly markets.

Independent economic forecasters, however, have said any dramatic fall in the value of sterling could put the Government's 4.5 per cent inflation target for the end of 1984 completely out of reach.

Mr Lawson, who faced close questioning from the mixed-party committee on the present overrun in Government borrowing, said the £8bn (511.4bn) forecast for next year's public sector borrowing requirement (PSBR) was only an indicative figure.

The actual level, to be fixed in next year's budget, would be consistent with the Government's aim of reducing the PSBR as a proportion of gross domestic product.

"The presumption is that it will be in the region of £8bn, but it may

well not be that figure." Mr Lawson rejected suggestion that sales of state industries should not be used to show a smaller PSBR. He emphasised that the Treasury was making strong efforts to tackle public spending, but said asset sales sold logically be counted

World Weather

operation against terrorism

eration in London in the aftermath of the Provisional IRA car bomb on He added: "Indeed, if anything, Saturday. The bomb exploded an outrage of this kind makes our ment store, killing five people and

watch to try to prevent any further terrorist attacks. Mr Brittan ap- bomb." pealed for public vigilance which he

The Home Secretary dismissed car bomb attack had not been au- am ashamed." thorised. The statement was "utterly contemptible," he said. "Those who place a bomb of this size in a with Christ shoppers cannot evade responsibility in that way."

crowded House of Commons: with the equipment and the plan Those who perpetrated this crime are Irish patriots, if those who are will consider whether Sinn Fein

among Christmas shoppers outside resolution and determination Harrods, the Knightsbridge depart-stronger than ever."

More than 700 extra police have liament would be reflecting the such talks are taking place and no been drafted into the capital and views of the entire nation by mak-special squads will mount a 24-hour ing it clear that there would be no concessions to the bullet and the

aid was essential to back the police of the IRA came from Mr John an IRA statement which said the Irishman standing in this House I are two legitimate views as to the

He believed Irish people everywhere would feel a sense of shame

Mr Brittan told the sombre and ots, if those who provided them Provisional Sinn Fein.

Sir Hugh Fraser, a Conservative attempt by the IRA, pressed for an assurance that any talks with either the military or political wings of the Provisionals in Northern Ire-

such talks will take place." Mr Brittan confirmed that the

Cabinet was considering whether to outlaw Sinn Fein, which is widely regarded as the political wing of the IRA. He said he would not wish to Hume, the Social Democratic and take any action which would lead to Labour Party MP, who said. "As an an escalation of violence. "There wisdom or otherwise of proscribing Sinn Fein."

In the House of Lords, Lord Fitt, that anyone in the name of Ireland who as Mr Gerry Fitt sat as MP for Mr Hume said: "If those who ly Catholic Social Democratic and planted that bomb are Irish patri- Labour Party, called for a ban on

BY OUR PARLIAMENTARY STAFF IN LONDON

MR LEON BRITTAN, the UK in no way weakened the unshake- are Irish patriots, then God save Home Secretary, yesterday an able resolve of Government and Ireland."
nounced a massive anti-terrorist op public alike that violence will not Sir Hu secure its objectives."

Mr Gerald Kaufman, Labour's

The most poignant denunciation

In Dublin today, the Irish Cabinet

U.S. envoy visits Iraq

BY REGINALD DALE IN WASHINGTON

special U.S. Middle East envoy, ing Israel. paid an unexpected visit to Iraq yeser support for restoring peace to

phasised that his visit to Baghdad had nothing to do with Iraq's war with Iran and did not constitute any "tilt" towards Baghdad in the con-

Mr Rumsfeld's trip nevertheless came as a surprise, given that no U.S. official of equivalent rank has visited Baghdad for 16 years. Iraq broke off diplomatic relations with the U.S. after the 1967 Arab-Israeli

U.S. officials in Washington em-

tinuing to clash militarily in Lebawas "trying to bring everyone on of Saudi Arabia, U.S. officials said. board" in promoting the process of

Mr Rumsfeld's visit was seen by

national reconciliation in Lebanon. Iraq's views also had some weight

with other Arab countries in the find it they said.

MR DONALD RUMSFELD, the war, accusing Washington of assist- overall attempt to bring a wider peace to the Middle East, the State Denartment said Recause Iran terday in a move that the State De Middle East analysts as likely to be needed the support of the other Arpartment said was intended to gath-highly provocative to Iraq's enemy, ab countries in its war with Iran, it er support for restoring peace to Syria, with which the U.S. is con-might also feel the need to pay more attention to the views of modon. erate Arab statesmen, such as King U.S. officials said Mr Rumsfeld Hussein of Jordan and the leaders

> They emphasised, however, that They said Iraq still had some influ- Iraq's influence was not seen as the ence over Shia Moslem and Palesti- determining element in the Leba nian groups in Lebanon, although nese peace process and that Bagh-lraqi aid to the groups had dwin-dad should not be regarded as the dled since the outbreak of the Iraq- key to a Lebanese solution. Mr Rumsfeld was simply looking for every bit of help where he could

Grundig plan likely to get go-ahead

Continued from Page 1

Although the final shape of the syndicate is apparently far from clear. Dutch banks, led by Amsterdam Rotterdam Bank (Amro), are thought to be involved but are obliged under central bank regulations to keep any industrial holding under 5 per cent of a company's total equity and to limit any such investment to a very low proportion of their own resources.

Union Bank of Switzerland, which is also associated with Grundig, said yesterday that it would

Philips in financing its moves.
Under the plan, Dr Grundig will step back from management but independent concern.
will continue to be available to advise on future product development.
Dr Grundig's family trust will yield part of its controlling influence in Grundig Electro-Mechanische Versuchsanstalt Max Grunvirtually a holding company for the group's manufacturing interests.

ny, either directly or through a by Philips and a consortium of Eubank consortium, but might assist Philips in financing its most of the company formed by Philips and a consortium of European banks will take company formed by Philips and a consortium of European banks will take company formed by Philips and a consortium of European banks will take company formed by Philips in financing its most of the company formed by Philips and a consortium of European banks will take company formed by Philips in financing its most of the company formed by Philips and a consortium of European banks will take company formed by Philips in financing its most of the company formed by Philips and a consortium of European banks will take company formed by Philips and a consortium of European banks will take company formed by Philips and a consortium of European banks will take company formed by Philips and a consortium of European banks will be company formed by Philips and a consortium of European banks will be company formed by Philips and a consortium of European banks will be company formed by Philips and a consortium of European banks will be company formed by Philips and a consortium of European banks will be company formed by Philips and a consortium of European banks will be company for the company formed by Philips and a consortium of European banks will be company for the company formed by Philips in financian for the company formed by Philips in financian for the company formed by Philips and Consortium of European banks will be company for the company formed by Philips and Consortium of European banks will be company for the company for the company formed by Philips and Consortium of European banks will be company for the company for th Grundig EMV. Philips intends to continue Grundig's operations as an

> Grundig made a profit of DM 104m (\$38.5m) in the year to last March, after two years of losses. Sales revenue was 6.8 per cent higher at DM 3.06bn.

The company said yesterday that dig & Co (Grundig EMV), which is it aimed to increase sales revenue considerably this financial year,

EEC set to approve budget despite protests

MR PETER DANKERT, president of the European Parliament is expected today to adopt the EEC's 1984 budget, including the freezing of rebates for the UK and West Germany, despite protests from EEC foreign ministers that the parliament is exceeding its powers.

In a letter to Mr Dankert, the ministers emphasised their disapproval of two main elements in the Ecu 25.36bn (S20.6bn) budget voted by the parliament in Strasbourg on Thursday. However, under proce-dures that many governments find increasingly unsatisfactory, they are powerless to prevent the budget's adoption once Mr Dankert

signs it today. The authors of the Treaty of Rome, which set up the EEC, were seeking a system in which many of the powers over the budget's final contents were shared between the parliament and the EEC Council of Ministers. They hoped that once all procedures were exhausted, those two halves of the so-called "budgetary authority" would be in full

This year, however, as in three of the last four years, the council and the parliament have been in dispute and the parliament has exploited its

Although France, the UK and West Germany felt strongly yester-day about the parliament's wilful disregard of the council's wishes, none was prepared to announce any measures that might disrupt the execution of the 1984 budget by the

Member states could, for example withhold some of their payments to Brussels on the grounds that the parliament's final spending total is about \$115m more than the council thinks it should be. France, Belgium and West Germany did ty image - particularly useful, perthat for a couple of months in 1981 haps, in the launch of Philips Sunn in protest at the parliament's bud-video - Grundig will provide Philips

Governments could also try to West Germany to set beside Bau-launch a case against the parlia-knecht and PKI, its recently ment at the European Court. That acquired white goods and telecompossibility might be discussed in munications, subsidiaries in that

Ministers had some difficulty in wrist. While reserving the right to cent of its sales. The key to its pre had not been completed because: The parliament was not entitled to add Ecu 132m to next year's spending plans without council approval, nor could it designate an other Ecu 600m for industrial policy spending in future years when the council had not yet adopted any definite spending policies for this

• The parliament's placing of Ecu 1.2bn of budget rebates in reserve for the UK and West Germany was an impermissible unilateral reclassification of spending.

Sir Geoffrey Howe, the British Foreign Secretary, said last night that the council believed that the parliament was behaving "unacceptably on basic points of princi-

The freezing of the budget re funds for the UK and West Germany was an attempt to fix blame mit which was "manifestly wrong because blame cannot be laid at our

Setback for Nakasone

Continued from Page 1

sign from the Diet precipitated the chain of events that led to an election that Mr Nakasone would have preferred to have delayed.

reacted with horror as the extent of only 81:47 points on the day.

Japanese financial markets

the LDPs losses became known, though recovery set in later in the day. The Nikkei Dow share index, off nearly 200 points yesterday morning, closed at 9,484.17, down



Yugoslavs order new Airbus

Continued from Page 1 from Air Inter; seven orders and

venture, with or without British Aerospace participation.

with potential partners, including with the French company Sogerma

Mr Lathière said that the Inexthree options from British Caledo- Adria order provided a "launch cus-

craft at the right time." M Lathière has said in the past signed an engineering support conthat the venture is "oversubscribed" tract covering all its Airbus types

craft (25 orders and 25 options from Air France; 10 orders and 10 options gium.

Spain, the Netherlands and Bel
Messerschmitt-Bölkow-Blohm

(MBB), West Germany's leading aerospace and armaments concern, nian; and five orders and three op- tomer" base for the A-320 greater expects sales revenue this year to That is regarded by Airbus Industrie as an adequate customer base on which formally to launch the place that the A-320 is the right air-

Although the group is continuing British Caledonian, which has al- to cut its workforce, with another so ordered the smaller A-320, has 1,400 of the 37,100 jobs to go next year, a series of important recent decisions in the military and space sectors should help to plug the or-Australia, Canada and Japan, as (Société Girondine d'Entretien et de der gap expected with the running well as the UK aerospace industries Réparation de Matériel Aéronau- down of the Tornado programme in the UK, France, West Germany, tique). and the weak demand for Airbus.

THE LEX COLUMN

A video game from Philips

Philips has waited years to an-nounce a deal giving it control of Grundig in West Germany, so presmably the management felt it prudent last Friday to wait just a few weeks longer for the final de-tails to be negotiated. Alas, the cat jumped out on Friday evening, havng sat quietly in the bag throughout a meeting hours earlier between senior management and bro-kers' analysts. Now the deal is offi-cial, though few details are yet

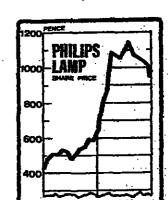
Any embarrassment on this front, however, pales by compari-son with Philips' growing headache over what to do with its V2000 inventories, and a new relationship with Grundig seems bound to be judged first in this narrow context. Grundig has been making the V2000 under licence since 1979 but moved earlier this year, like the Dutch group itself, to capture a share of the far more successful VHS market. One explanation being mooted yesterday for the timing of the current talks is that Philips might be anxious to forestall any developments threatening to take Grundig out of the V2000 altogeth-

ally at a critical juncture. If so, Philips' strategy has a defensive aspect which might suggest a renewed commitment to the V2000 but which in fact leaves the whole future of that system still open to doubt. Control of Grundig may give Philips access to superior marketing in the short term, offering some reassurance to V2000 sofalso face the group with a heavier financial exposure to the V2000 in the longer term, which must be

looking increasingly unattractive.
Happily, the more positive
aspects of the deal look very much less equivocal for Philips. Apart from its marketing skills and qualiwith a home electronics base in

market.

The latest figures from Philips agreeing the text of their letter, show it with 22 per cent of its emwhich Mr Dankert might feel is no ployees and 24 per cent of its assets more than a gentle slap on the in the Netherlands against 5.5 per Sony take court action, the letter com- ent growth, and to its stance as EEC plained that budgetary procedures champion against Far Eastern competition, must be to align the location of assets and sales more closely - hence the expansion in Germany.



Financing the deal, however it ends up, is unlikely to place any un-due strain on Philips' balance sheet - particularly if, as seems likely, the group accepts a minority stake with the option to extend it in the future.

Norcros

In making its offer for UBM earlier this year, the Norcros manage-ment was motivated partly by the desire to focus attention on the company's neglected and undervalued equity. In this, at least, the abortive bid appears to have succeeded, though perhaps not quite in the way Norcros envisaged. Speculation that Norcros itself might be a target had helped to lift the shares to a year's peak of 157p last week. Yesterday's statement covering

showed pre-tax profits rising 11 per cent to £13.9m. Predictable difficulties in Nigeria have roughly halved the international contribution, but elsewhere the machine is running smoothly. The shares, however, slipped back 6p to 143p, equivalent to 7.8 times this year's forecast

The market is evidently unsettled by the future of the 36 per cent ding in UBM, which is covering its funding costs after tax but will earnings per share to be paid for by lift net debt to almost 50 per cent of reducing the number of shares at-shareholders funds at the year end. iributable to Holdings - seemed too its funding costs after tax but will lift net debt to almost 50 per cent of If Norcros felt hamstrung by this investment, it could sell out at little capital loss, but there is no evidence however, not about the desirabilit to date that it has lost its appetite of the deal. And the shareholder

After a year of running repairs in ders into raising their bid after the the lay-by, Sony is venturing cantiously down the inner lane, with a CIIm they are reputed already to sharp recovery in profits in the fi-have sunk in the campaign sug-nal quarter to October. A pro-gests that they may be unwilling to gramme of stock reorganisation walk away.

tion cost cuts, have helped boost net income for the group to Y12.7bn, against Y2.5bn in the comparable quarter of 1982 and Y6.2bm in the preceding three months of 1962.

The current year should see profit of about Y50hn, against Y29.8bn VCR volume is now rising, while margins here are looking better. The latest generation of Walkman should allow profits to be at least held in this division and the digital audio disc will start to make an impact as significant programme ma-terial becomes available. Even the U.S. Olympics conspire in favour of the company's television sales.

The share price has faller through the year and now lags nin-er electrical stocks significantly. The prospective jump in profits may be reflected in the performance of the share price, but investors remain uncertain whether there will be room for Sony's Beta-video format in the light of the VHS ascendancy...

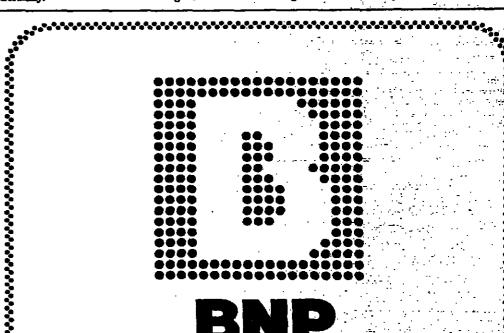
Reed Stenbouse

fer for its former parent Stenhouse Holdings has produced a wrangle which should at least win a sackful of nominations for the most conterted takeover battle of 1983. The offer en takeover battle in 1863. The disc might have been expected to be snapped up by Holdings, since it gave shareholders a way of closing some of the deep discount which had opened up between the value of Holdings and that of its 49 per cent stake in Reed Stenbouse.

Unfortunately the proposed method of achieving this capital upliff—a premium of more than 30 per cent on the Holdings share price before the bid—has not found favour with the Holdings board. The incentive to the public Cana dian holders of Reed Stenhouse to

make the bid - a 10 per cent rise in The dispute is really about terms, however, not about the desirability

have to decide whether to join the board in what is really a poker game, bluffing the Canadian bid-



Banque Nationale de Paris p.l.c.

8-13 King William Street, London EC4P 4HS, Telephone: 01-626 5678, Telex: 883412 BNP LNB

Knightsbridge 01-581 0104 Manchester: 061-228 0611 Leeds: 0532-443633 Birmingham: 021-236 9735 Edinburgh: 031-226 6655

> **BNP Group Head Office:** 16 Boulevard des Italiens, 75009 Paris

Published by The Financial Times (Europe) Ltd., Frankfurt Branch, represented by G.T.S. Daner, Frankfurt Modu, A.Y. 20 R.A.F. McClean, M.C. Gorman, D.E.P. Palmer, London, as members of the Board of Directors Frinkly, Frankfurt/Main. Responsible editor: C.E.P. Smith, Frankfurt/Main. C The Khamrial Times Ltd., 1883.



THE COMPLETE ENGINEERS MERCHANTS

SECTION II - INTERNATIONAL COMPANIES

FINANCIALTIMES

Tuesday December 20 1983

Tymshare

By Paul Taylor in New York

The surprise announcement came just three days after McDonnell Douglas announced it is to

acquire Hughes Helicopter for \$470m and only days before the de-finitive agreement to acquire Tym-

share for \$31 a share was due to be

Neither company would commen

esterday on the reasons for the

dramatic about-face. However, one

factor may have been Wall Street's

relative hostility to the Tymshare

McDonnell Douglas had an-

nounced its plans to acquire Tym-share on November 28. The main

attraction of the deal to the aircraft

maker appeared to be Tymshare's

Tymnet data communications ser-

vice which allows computers to

"talk" to each other using a data

Tymnet is the second largest ser

vice of its type after GTE's Telener

and would have represented a ma-jor addition to McDonnell's McDon-

nell Douglas Automation (McAuto)

network.

rejects

expanding **NORTHAMPTON** Factories, offices and sites ready when you are

0601 34734

Northampton Development Corporation 2-3 Market Square Northampton NIS1 25N

VW forecasts return to profits next year

BY JOHN DAVIES IN FRANKFURT

VOLKSWAGEN, the West German pects to reach a turning point in its results next year after two years of

The Wolfsburg-based group ex-pects its worldwide loss this year to be about the same as last year's DM 300m (\$108.6m) deficit.

In a preliminary statement, VW said yesterday that results this year were depressed by further losses in Latin America, as well as by the cost of launching the new Golf model in West Germany. Triumph-Ad-ler, its office equipment subsidiary. was also making a loss, although much less than last year.

Those burdens outweighed prof-its in other areas including Audi sales and U.S. operations.

But VW said if was counting next year on a turnround towards profit-ability. It expected to begin benefiting from rationalisation at factories in West Germany and abroad, as well as good profits from its new Golf and Audi models. A few weeks ago, VW reported a hefty DM 247m loss for the first

nine months of this year, up DM 100m on the loss suffered at the same stage last year.
But the company has been at pains to indicate that recovery

plans are broadly on course. Dr Carl Hahn, the VW chief exsound future for VW were unlikely



Dr Carl Hahn

to be reflected in earnings until next year at the earliest. VW expects group worklwide sales this year to show an 8 per cent

rise to about DM 40bn, with the parent company's revenues up nearly 10 per cent to about DM 30bn. Sales of VW and Audi models this year are expected to reach last

year's level of 2.12m. VW believes it will boost car sales next year as most markets continue ecutive, said earlier this year that to pick up, although the economic efforts being made to ensure a difficulties of Latin America remain The group has received strong impetus from the recovery of sales in West Germany, with nearly 740,000 VW and Audi models being delivered this year, about 10 per cent more than last year.

VW said sales of the new Golf, which replaced the previous model in September, were exceeding the company's expectations.

The group's total share of the West German car market has slipped from 28.8 per cent to 28 per t, but the Audi models have lifted their share from 5.9 to 7.2 per

In Mexico, VWs deliveries have fallen by nearly half to 70,000 because of economic cutbacks. In Argentina, sales have risen about 28 per cent to 19,000, but are still far below what VW regards as normal.

Despite setbacks on the Brazilian market, sales from the local operation are expected to exceed last year's 300,000 because of increased

Meanwhile, VW says it is not aware of any plan for Kuwait to increase its 10 per cent stake in VW's Brazilian subsidiary. Nor was there any plan in the foreseeable future for a Kuwaiti to join the board of the Brazilian operation.

Kuwait also has a minority stake in the parent company, although the exact extent has never been dis-

computer service operations. However, Wall Street was scepti cal from the start about the deal pointing out that Tymshare, with revenues of \$297m last year, lost \$2.2m in the latest quarter and lacked focus and management flair. As a result McDonnell's stock fell \$2.88 a share to \$55.50 following the

The aerospace group said that it did not think its planned acquisition of Hughes Helicopter "was a factor in the termination."

Profits plunge at major U.S.

GENERAL INSTRUMENT, the major U.S. cable TV, direct broadcast satellite service (DBS) and microer, yesterday reported a continuing sharp plunge in profits. The compa-ny fiscal third quarter earnings dropped by 79 per cent.

General Instrument said in the quarter ending November 27 it had net earnings of \$5.3m or 17 cents a share compared to \$24.9m or 81 cents a share in the same period last vear on sales which fell from \$234m to \$227.7m.

It blamed the sharp decline on lower margins in the cable TV equipment business, start up costs for new processes in the microelectronics division and reduced demand from video game and home omputer makers

The earnings slide continues a trend apparent over the last three quarters, which principally reflects difficulties in two of General Instrument's major markets, cable TV construction and the shake out in the video games and home computer industries.

The latest results mean General Instrument's net earnings for the first three quarters of its fiscal year have fallen by 64 per cent to \$38.6m of 92 cents a share from \$78.8m or \$2.58 a share on revenues of \$661m

compared to \$743.6m. General Instrument said the or der backlog at the end of the quar-ter was \$1.414bn compared to \$748.4m a year earlier. The latest total includes over \$500m in orders for satellite earth station electron-

Cable group in films deal

By Paul Taylor in New York

SHOWTIME - the Movie Channel the joint venture cable television service formed recently through the merger of Showtime and the Movie Channel, has agreed to pay Paramount Pictures, around \$500m over the next five years for exclusive

rights to the studio's films.

The deal, details of which have not been made public, is the largest exclusive contract between cable

television and a film studio. Home Box Office, the Time Inc Subsidiary which is the premium channel market leader with 15m subscribers, has a five year contract worth a similar sum with Coca-Cola's Columbia Pictures subsid-

iary, as the contract only provides for four exclusive films a year. The deal between Showtime - the Movie Channel and Paramount, a Gulf and Western subsidiary, follows weeks of negotiations and is seen as one of the major results of the recent merger of Showtime, owned by Viacom International and the Movie Channel

Walter Ellis and John Davies profile the men behind the Philips - Grundig link

A two-man electronics show

DR WISSE DEKKER, president of Philips, the Dutch electrical group, shares with Dr Max Grundig an unfailing willingness to work and to transform his company for the better at a time of intense international competition in the electronics field. But they differ in one impor-TYMSHARE, the California-based tant respect. Dr Dekker is the first data transmission group, yesterday pulled out of a \$372m cash deal to head of his company not to be a member of the Philips family, while be acquired by McDonnell Douglas, the U.S. aerospace and defence

> This means that Dr Dekker, hough patient and courteous, and an admirer of Dr Grundig, is cast in the role of predator while the older German feels himself on the defensive with a lot to lose.

> Dr Grundig is the founder and cur-

Both realise the necessity for Grundig to become part of something larger, but for Philips it is simply good business. Sentiment is not involved.

Dr Dekker is a firm believer in the need for the European electronics industry to work together to hold off the advance of the Japanese giants. He is convinced that only Philips has the dimensions, the technology, the experience and the product range to rival JVC, Matsushita and the rest.

BY KEVIN DONE IN STOCKHOLM

PARTEK, the Finnish building ma-

terials group, is to pay SKr 54m (\$6.6m) for a 40 per cent stake in Hiab-Foco, a Swedish manufacturer of hydraulic cranes and transport

equipment and a subsidiary of the

Partek, which already owns 14

per cent of Bahco, has acquired a number of small companies in

Sweden in recent years in the engi-

neering and building materials sec-

tors as part of a strategy to interna-

tionalise and decrease its depen-

Bahco has run into serious prob-

dence on domestic construction.

Bahco engineering group.

Partek's Swedish deal

others has aroused some indignation in Europe. Thomson-Brandt, in particular, does not see itself as a satellite company, and a deal signed with JVC in April on the manufacture under licence of VHSformat video cassette recorders (VCRs) was widely seen as a slap in the face for the Dekker pan-Eurorently major shareholder in the German consumer electronics venpean strategy.

Indeed, Philips' own more recent negotiation of a deal with the Japa-nese to make VHS machines for sale outside Europe is a measure of how urgent is the need to compete with both Japan and France in this area, even at the expense of Philips'

The V2000 video system designed in Eindhoven and much admired for its high-resolution picture and reliability, had been intended as a world beater. Instead, it has been restricted to Europe, and even there it has to be helped by restrictions on the import of Japanese-

It has been clear for several years that Philips has wanted to acquire a larger stake in Grundig, with which co-operates in production of the

lems in the last two years and ex-

pects to run up a further deficit of around SKr 80m this year following

losses of SKr 196m in 1982. The Hi-

and a workforce of 1,400. Bahco

group annual turnover is SKr 2.6bn.

3bn and employs 6,000.

where they will be sold.

The Philips boss had at one time hoped that something fruitful could be worked out with Thomson-Brandt, only to see the French group buy up control of Telefunken, another West German electronics group. At least now he has Grundig or should have on April 1 - and can begin to take stock of the whole V2000 experiment.

As for Dr Max Grundig, the lead actor in the Grundig-Philips drama, he is staying determinedly off stage as the business thriller heads towards its climax.

German group is on holiday abroad hand over management of his com-

berg, are stressing that full details abruptly abandoned the scheme, to are still not clear but are likely to the consternation of the retail be settled "in the next few weeks". Grundig has cut its workforce from 38,460 in 1979 to 28,900, but it

Facing increasing challenge from Japanese rivals, Grundig slipped into the red in 1980-81 to the tune of DM 187m (\$67.5m) and made a further DM35m loss in 1981-82, before staging a comeback with a DM 104m profit in the year to last March

VCRC provided the fastest growth in sales revenue last financial year, contributing more than a quarter of revenue from the home market

But both Grundig and Philips had to bow to Japanese prowess, by ne-gotiating a licence to make Japa-nese-designed VHS VCRS in future.

though for foreign markets.

The VHS-system has gained the

The 75-years-old founder of the lion's share of world sales. Grundig embarked on a change at the time when agreement in in its marketing system earlier this principle has been disclosed to year, declaring that retail outlets would be regarded as agents, so

that prices could be fixed at profi-Dr Grundig is reticent about how table levels.

the arrangement with Philips will The cartel authorities frowned on look and what it amounts to in mon- the scheme, which also turned out ey terms. His management repre- to have financial drawbacks for the sentatives at Furth, near Nurem-company itself. As a result Grundig the consternation of the retail

trade. To many in the trade, this exercise - with its abrupt change of tack Other groups, such as Grundig, V2000 range. Dr Dekker believes remains under intense pressure in showed the need for a new ap-

buys more plantations

By Wong Sulong In Kuala Lumpur

KUALA LUMPUR-KEPONG, Malaysia's fourth largest plantation group, is buying a large plantation for 189m ringgits (\$82m).

The acquisition, in the east Ma-laysian state of Sabah, will increase to 130,000 acres.

KLK said it would pay 162.5m ringgits to purchase the entire equi-ty of Sri Kunak plantation (5,256 acres). Kulumpang Development Corporation (18,178 acres) and other 7 551 acres of estate land.

it will also pay 26.5m ringgits for an oil palm mill and a cocoa fermentation factory in 150 acres. KLK said all the land was located on a contiguous block, about 62 km from Tamau on the Tawau Sempor

na highway. The plantations and oil palm mill

are being sold by companies con-trolled by Lau Gek Poh.

KLK is controlled by Tank Sri
Lee Loy Seng, the rubber tycoon, and the purchase reflects his view that commodity prices are on an up-swing and that plantation land will become more expensive.

KLK sold its investment in De-

velopment and Commercial Bank [late last year and used 37m ringgits late last year and used 37m ringgits to buy Ratu Lintang estate.

It also paid 54.3m ringgits to Wardley Investment Services of Hong Kong to raise its stake in Highlands and Lowlands from 7 per cent to 26 per cent, making it the biggest single shareholder.

Highlands and Lowlands is the country fourth biggest plantation.

country's fourth biggest plantation group, with 72,000 acres.

Notice to The Holders of IBM World Trade Corporation 144% Notes due June 15, 1984

Notice is hereby given that a copy of the Annual Report of IBM World Trade Corpor-ation, for the year ended December 31, 1982 is avail-able for inspection by the

able for inspection by the Holders of the Notes at the

Corporate Trust office of the Chase Manhattan Bank (National Association) Wool-gate House Coleman Street,

London EC2P2HD, England.

By: IBM World Trade

KLK group Buitoni talks with Poulain collapse

BY ALAN FRIEDMAN IN ROME.

INDUSTRIE Buitoni Perugina (IBP), the leading Italian foods group which is 51 per cent owned by the Buitoni family, yesterday French confectionery manufactur-

er, had failed. indications. Poulain would not be taking a stake in IBP. In September the group issued a statement saying it was in talks with Poulain de-signed to create "an alliance aimed

both partners and increasing their investment capability in Italy and

IBP, capitalised at L37.4bn said its four-month long attempt to (\$22.2m), is thought to be in search strike a deal with Poulain, the of investment capital Poulain had

guarantees a few weeks ago.
IBP last night declined to explain signed to create "an alliance aimed only that it was now "reflecting on at improving the competitiveness of its future."

been expected to take a shareholdcable TV group r, had failed.

The Perugia-based company said certainty of the plan that IBPs

why its proposed deal with Poulain had fallen through and would say

Italian steel group in L9bn share placing

DANIELI, the leading Italian maker of steel mini-mills which is proser of steel mini-mins which is pros-pering despite world recession in the steel industry, is going public on Thursday with a L9bn (\$5.4m) share offer on the Milan bourse. The offer, which is being led by Euromobiliare, the investment banking group, is underwritten by 15 banks including Banca Commerciale Italiana, Banco di Roma and Credito

Notice to The Holders of IBM World Trade

Corporation 14%% Notes due July 30, 1985

Notice is hereby given that a copy of the Annual Report of IBM-World Trade Corpor-ation, for the year ended December 31, 1982 is avail-

December 31, 1982 is available for inspection by the Holders of the Notes at the Corporate Trust office of the Chase Manhattan Bank (National Association) Woolgate House, Coleman Street, London EC2P2HO, England.

By: IBM World Trade Corporation

In the year to June 30, Danieli managed to go against the world steel industry's trend to raise profits by 44 per cent to L10.1bn, on turnover which was up by 16 per cent to L155.7bn. The company, based at Buttrio, in north-east Italy, designs and builds steel mini-mills which are sold to the Soviet Union and the Eastern bloc as well as to a number of countries in Africa and The Danieli strategy is to try to fill a niche in the market for small,

L2,250 each, about 20 per cent of the company will be held by the public, mostly institutional investors.

Italiano. At present the Danieli family owns 74 per cent of the company while Schloemann-Siemag, the West German group, holds the next biggest stake at 18.5 per cent. After the 4m new shares are placed, at 18.250 cesh shout 20 year cent of the

flexible and energy-efficient plants to replace the vast steel complexes of the past. Italy and the rest of Western Europe do not figure promiently in the Danieli order book, which last June stood at L180bn. Whittaker sued

over lost Saudi contract By Terry Byland in New York

A HEAVY fall in profits for the year

to October 31 was announced yes-terday by Whittaker, the Los Angeles health care group whose share price plummetted two weeks ago when it disclosed that Saudi Arabia had terminated a \$1.4bn hospital management contract with the company.

Net earnings dropped by 36 per cent to \$37.6m or \$2.55 a share for the year, although sales held steady at \$1.68bn. The final quarter, however brought a 58 per cent upturn in net earnings, which reached \$13.4m or 91 cents, with sales at \$413.2m against \$419.8m.

Whittaker also disclosed that it faces a class action suit from stockholders who bought Whittaker shares between March 1 and December 6, the date on which it disclosed the loss of the Saudi con-

The suit alleges that Whittaker failed to disclose that the Saudi contract extension included an option for cancellation and that it had been obtained without open bidding, contrary to Saudi government

The suit also claims that the company failed to disclose "ongoing disputes" with the Saudis

Norwegian foil merger

TWO LEADING Norwegian manufacturers of plastic foil and foil will consist - in about equal products are merging their produc- amounts - of plastic carrier bags tion operations.

ab-Foco subsidiary hopes to break even in 1983 following two years of Fjeldhammer Brug, a building materials producer, will hold a 51 per cent stake, with the remaining 49 per cent held by Dyno Industrier, Hiab-Foco is a leading manufacproducer of plastics, chemicals and explosives in a new partnership, called Norfoliet. The merger will turer of hydraulic truck cranes with 35 per cent of the world market. It has annual sales of some SKr 900m

take effect from January 1. The new company, with a total output of 13.000 tonnes of foil per year and estimated annual turnover of NKr 165m (S21m), will be Nor-Partek has annual sales of SKr

way's largest foil supplier. Output and plastic foils for industry and building trades. About a third of its plastic carrier bag production will be exported, mainly to the UK.

Norfolier's main competitor in Norway will be Norsk Hydro, which recently bought a small Norwegian polyethylene foil producer. coat. The acquisition brought Hydro's output capacity for this type of foil to about 11,000 tonnes per year. No layoffs will follow the establishment of Norfolier.

Royscot International Finance B.V. (Incorporated with limited liability in the Netherlands)

U.S. \$75,000,000

11% per cent. Guaranteed Bonds due 1993 with Warrants to subscribe

U.S. \$75,000,000

11½ per cent. Guaranteed Bonds due 1993

both series of Bonds being unconditionally and irrevocably guaranteed as to payment of principal, premium and interest by



The Royal Bank of Scotland Group plc (Incorporated with limited liability in Great Britain and registered in Scotland)

Samuel Montagu & Co.

The Royal Bank of Scotland pic

First Interstate Limited

Credit Suisse First Boston

Crédit Commercial de France

Kredietbank International Group

Lehman Brothers Kuhn Loeb

J. Henry Schroder Wagg & Co.

Morgan Grenfell & Co.

Morgan Guaranty Ltd

Nomura International

Limited

Deutsche Bank

Aktiengesellschaft

Morgan Stanley International

Orion Royal Bank

Swiss Bank Corporation International

Williams & Glyn's Bank plc

November, 1983

444

2554

Notice to The Holders of IBM World Trade Corporation 121/2% Notes due February 1, 1988

Notice is hereby given that a copy of the Annual Report of IBM World Trade Corporation, for the year ended December 31, 1982 is available for inspection by the Holders of the Notes at the Comporate Trust office of the Chase Manhattan Bank (National Association) Wool-gate House, Coleman Street, London EC2P 2HD, England.

By: IBM World Trade Corporation

Notice to The Holders of IBM World Trade Corporation 121/2% Notes due October 1, 1992

Notice is hereby given that a copy of the Annual Report of IBM World Trade Corpor-ation, for the year ended December 31, 1982 is available for inspection by the Holders of the Notes at the Corporate Trust office of the Chase Manhattan Bank (National Association) Wool-gate House, Coleman Street, London EC2P 2HD, England.

By: IBM World Trade Corporation

OULIST B. LIST inforex.

You, first' isn't just another piece of banker's blarney. We know that our success means servicing you the way you prefer. So we put 'You, first'.

Westpac's Forex team is highly respected, quick and reliable in a fast market. And through our international branch network we deal round the world, round the clock.

Westpac is the first bank in Australia. We're also in nineteen other countries.

London Dealing Room: Tel: 01-283 5321. Telex: 888361. Reuter Monitor page code: WBCL. Reuter's direct dealing code: WBCL. Westpac Banking Corporation.

United Kingdom and European Headquarters: Walbrook House, 23 Walbrook, London EC4N 8LD. Tel: 01-626 4500. Incorporated in Australia with limited liability.

As you might expect Westpac is strong in Pacific Basin currencies. But it's a fact that we're strong in Continental currencies, too.

You, first' is also true for Trade Finance Corporate Lending, and other banking

You meet the same experience and flexibility. And the Australian blend of directness and competitiveness. Call us-first.

Mestpac

First Bank in Australia

Telex: 68001

Tel: 724035 Telex: 30038

Tel: 213236 Tel: 2232147

Tel: 9499838 . Tel: 6300350 . Tel: 9864238 Telex: 74935 Telex: 26722 Telex: 425679-Telex: 210119 Telex: 470609

This announcement appears as a matter of record only

NEW ISSUE



December 1983

Bangkok Bank Limited

London Branch, 59 Gresham Street, London, EC2V 7HB United Kingdom

US \$50,000,000

Negotiable Floating Rate U.S. Dollar Certificates of Deposit. due 20th December 1988

Managed by

Tokai International Limited **BA Asia Limited**

Chuo Trust Asia Limited Kyowa Bank Nederland N.V. LTCB International Limited Morgan Grenfell & Co. Limited Orion Royal Pacific Limited

Agent Bank

Tokai International Limited

BANCO LATINOAMERICANO DE EXPORTACIONES, S.A. U.S.\$30,000,000

Floating Rate Notes due 1986 In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the next Interest Period has been fixed at 1013 per cent per annum. The Coupon Amounts will be US\$274.82 for the US\$5,000 denomination and US\$2,748.18 for the US\$\$0,000 denomination and will be payable on 21st June, 1984, against surrender of Coupon No. 6.

Manufacturers Hanover Limited Agent Bank

MULTIBANCO COMERMEX, J.S.525,000,000

Hoating Rate Notes due 1984 In accordance with the pro-visions of the Notes, notice is hereby given that the Rate of Interest for the next Interest Period has been fixed at 1012 per cent per annum. The Coupon Amounts will be US\$54.96 for the US\$1,000 denomination and US\$2,748.18 for the US\$50,000 denomination and will be payable on 21st June, 1984, against surrender of Coupon No. 9.

20th December, 1983 Manufacturers Hanover Limited Agent Bank



IRELAND

U.S. \$50,000,000 Floating Rate Notes due 1990

Pursuant to Condition 4 and Condition 10 of the Terms and Conditions of the Notes we hereby notify that we, as the Purchase Agent of the Notes, purchased Notes in the aggregate face amount of U.S. \$4,000,000 during the period beginning on 18th December, 1982 and ending on 19th December, 1983.

> Sumitomo Finance International Purchase Agent

INTL. COMPANIES & FINANCE

Battle hots up for Brisbane TV

Anstrallan network stations not yet locked into a major media conglomerate. Hence the frantic activity of recent weeks, during which the bidding has risen from A\$17.30 to yesterday's A\$27 per share, valuing BTV at a little over A\$50m (US\$44.5m). To date, the combatants have been evenly matched in willpower and staming though they tip the stamina. though they tip the scales at different weights.

scales at different weights.

In the red corner is little-known bidding vehicle Capricornia Television, acting on behalf of Television Wollongong Transmissions (TWT), the operator of the region! TV station WIN 4 Wollongong, in the steel town south of Sydney. TWT is controlled by Mr Bruce Gordon, a one-time magician (at Sydney's Tivoli theatre), who lives in New York and is International Vice-President of Paramount Pictures' TV arm.

In the blue corner is John

In the blue corner is John Fairfax, the Sydney-based media group (1982-83 group operating profits of A\$15.3m, up 17.3 per cent), which owns most of Australia's best news-

constructions delights of the sion Wollongong Transmissions, Gold Coast, a 26-mile strip of provided their final bids were bright bleached sand, south of at approximately the same level. Brisbane, that offers surf, sin and whose property and touristic and the property and the property

Further profitable develop-ment is forecast elsewhere in

last year from Queensland Press at a time when the BTV share price was a meagre A514.

Why Fairfax did not move to take full control of BTV last year, when the share price was a fraction of current levels, is an important moneyspinner an enbarrassing—and to date for the eccentric but powerful manswered—question. According to one commentator: "The further this saga goes, the more embarrassing it appears for Fairfax. At last night's count, Fairfax had 41 per cent of BTV, and Capricornia 30 per cent. The key to control now rests with Britain's Associated Newspapers, which has 7 per cent of BTV. Another 7 per cent is split among three other holdings, with the remaining 15 per cent dispersed among small shareholders. (On Friday, in Melbourne, a so-called mystery buyer was said to have bought as bright bleached sand, south of the current year were well success to the south of the current year were well success to the control of the current year were well success to the control of the current year were well success to the control of the current year were well success to the control of the control of the current year were well success to the control of the control of the control of the control of the current year were well success to the control of the c

Melbourne, a so-called mystery ing A\$5m. At the weekend, buyer was said to have bought 18,000 shares at A\$26.20.

BTV serves south-east Queensbright bleached sand, south of the current year were well

AS RICH in twists and thick in plot as a high-suds soapie, the fight for Brisbane Television (BTV) has matured into one of Queensland's toughest and most protracted takeover struggles for several years

BTV's Channel 7 is the Sunshine State's highest-rating and most profitable TV station.

BTV's channel 7 is the Sunshine State's highest-rating and most profitable TV station.

It is also one of only two Anstrallan network stations not yet locked into a major media conglomerate. Hence the frantic activity of recent weeks, during which the bidding has risen the final when the bidding has risen the final when the BTV also made it cleater region, which apart from Brisbane, encompasses the pullity of the high and plus as the plus of the part of the sion Wollongong Transmit of the high and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potential and year-round sun, and whose property and touristic potent BTV also made it clear that it preferred Fairfax to Televi-BTV's reason was that Fairfax already owned one station in the National Seven Network (ATN 7 in Sydney). For its part, Lloyds International has spoken of the extensive media interests of Fairfax as against the relatively limited media interests of TWT, and of Fairfax's experience as a capital city TV operator, against TWT's merely regional exposure in downbeat Wollongong.

Capricornia maintains that

CUB still silent on **Elders offers**

By Our Sydney Correspondent CARLTON AND UNITED Breweries CUB) said yesterday it could recommend neither acceptance nor rejection of Elders-Ixl's A\$900m (US\$800m) plus takeover bid.

plus takeover bid.

CUB formerly owned 49.4
per cent of Elders-Ixl, the
pastoral food, finance and
resources group. Last week,
following an earlier partial
offer for CUB by Mr Ron
Brierley's Industrial Equity,
Elders gained control of CUB
after launching an aggressive
share-buving suree.

share-buying spree.

Its two formal offers, one in cash and the other in shares and cash, come into effect at the end of the month. Elders now has approximately 57 per cent of CUB's capital, CUB is Australia's biggest brewer with an estimated 50 per cent share of national beer

NZFP in partial bid for Watties

NEW ZEALAND Forest Pro- last sales of the day were which was seen as an important ducts — the country's 2nd largest company -- which last month saw 24.9 per cent of its shares acquired in a surprise joint move by the Watties and Goodman groups, yesterday retaliated against its major shareholder by itself making a bid for 24.9 per cent of Watties.

It offered 450 cents for each Watties ordinary share compared with Friday's closing price of 340 cents, 320 cents for the 12.5 per cent preference shares, compared with 200 cents, and 415 cents for the 16 per cent preference shares, compared with 265 cents.

However, soon after Forest products announced its offer a mystery buyer came into the market. It topped Forest Product's offer, and Forest Product's offer, and Forest products was forced to increase its bid to 486 cents a share. The

around 470 cents. The move, which would have cost NZFP more than NZ\$90m (US\$58m) at its original offer price, is seen as a safeguard to

man combination from launching a full takeover bid. It is believed that NZFP also bought Goodman shares which quickly jumped by 40 cents to 402 cents a share.

Watties and Goodman have a 35 per cent stake in one another and Goodman in particular is known to be in an expansionary mood. The joint bid for NZFP cost the companies NZ\$160m and some market observers believe they intend to increase further their share.

in the paper and pulp industry move.

growth area. Wattles believes the price of Forest Products shares was well below the true worth of the company's assets. Watties and Goodman are both prevent the Watties and Good-

large food-based conglomerates and the two control most of the major food companies. Godmans has risen quickly over the past decade to become New Zealand's eighth largest company. In 1982 it recorded a record net profit of NZ\$12.26m and this record that has the 17 new teacher that the largest company. year boosted that by 17 per cent to NZ\$14.3m

It was not known last night how much of its 24.9 per cent target (the maximum a New Zealand company is allowed to acquire without making a formal takeover bid) had been Last week Mr William Morris, gained by Forest Products but the chairman of Watties, told further heavy trading is ex-shareholders that Forest Pro-pected today. Watties has not ducts was the leading company as yet reacted in public to the

This announcement is neither an offer to sell nor a solicitation of an offer to buy these securities. The offer is made only by the Prospectus.

NEW ISSUE

December 16, 1983

2,490,400 Units

Each Unit Consists of One Share of Common Stock and One Warrant To Purchase One-Half Share of Common Stock

Price \$1.80 per Unit

Copies of the Prospectus are obtainable in any State from dealers as may lawfully offer these securities in such State.

Rooney, Pace Inc.

Kitcat Aitken & Safran

U.S. \$100,000,000



The First Canadian Bank

Bank of Montreal

FLOATING RATE DEBENTURES. **SERIES 5, DUE 1990**

(Subordinated to deposits and other liabilities) For the six months

20th December, 1983 to 20th June, 1984

In accordance with the provisions of the Debenture, notice is hereby given that the rate of interest has been fixed at 10% per cent and that the interest payable on the relevant interest payment date; 20th June, 1984 against Coupon No. 7 will be U.S.\$55.28.

Morgan Guaranty Trust Company

U.S. \$20,000,000

Floating Rate Subordinated Bearer Participation Certificates 1990!

issued by The Law Debenture Intermediary Corporation Limited evidencing entitlement to payment of principal and interest on an advance made to

Den norske Creditbank (Luxembourg) S.A. repayment of which is guaranteed on a subordinated basis by Den norske Creditbank

In accordance with the provisions of the Certificates, notice is hereby given that for the three month Interest Period from 19th December, 1983 to 19th March, 1984 the Interest Rate will be 1018% per annum and the Coupon Amount per U.S. \$1,000 will be U.S. \$27.33.

> Credit Suisse First Boston Limited Agent Bank

THE ARTS

The low cost of Art

IT IS NOT realy the critic's part, least of all perhaps should he find himself working for the Financial Times, to dilate over much on questions of the prices and relative valuations set upon the things of which he treats.

The point is a nice one, and more of emphasis than absolute; for it is not at all that the values of the market place are in some sense sordid or demaning the best are the control of the market place. demeaning, to be kept safely beneath notice. Rather it is that in attempting to establish, if only to his own satisfaction, the measure of an artist's creative success, and the aesthetic and even the social-worth of any particular piece of work, the critic knows that behind any of his judgments lies the tacit suggestion, that this piece might be worth acquiring, that piece rather less

In this imperfect world, artists, too, have their livings to earn, and many would always choose to do so directly and honourably through the sale of their work. The critic sees what the artist cares to show him in the studio, or the dealer to put on the public wall, or the jury to choose for the mixed exhibi-tion, and he will notice a price here, and his curiosity will imhere, and his curiosity will impel him to ask of it there; and only on the very rarest occasion will the natural interest grow into a serious critical issue. Often he will see good work overpriced as well as bad, and bad as well as good will seem to him remarkably cheap, and any of it will sell if someone likes it well enough to buy.

I only wish I could rest upon such complacency, but unfortunately there is a little more to say. One of the most gratifying things I take from what I do is the certain knowledge that so very much of the

ledge that so very much of the work being done in this country, by artists and craftsmen of all kinds, is extraordinarily good: and yet, if the handful of the most successful command the highest prices, it is equally true that the work of the majority tends to be underpriced, especially so when compared to prices abroad, and is so very

often conspicuously cheap. Why, then, do we not see it on every wall in every civilised home? — a good question: the short answer — that we are a civilised and educated society that persists in the heresy that art is an extravagance and a luxury. Thus, not taking it seriously, we have stopped look-

ness I apologise, but not for the homily itself. It was brought on by a number of expected, all of them in a sense seasonable, and a pleasant surprise. The surprise first: the Greater London Council's annual paint-ing competition, sailing now for the sixth time under the banner of "The Spirit of London" was opened last week at the Roval Festival Hall, where it remains until January 15. At the invitation of Mr Banks and his committee Mr St John Stevas did the honours, and nearly £12,000 was given away in £12,000 was given away in prizes, subscribed by the GLC itself and assorted sponsors, the top prize of £1.500 going to Peter Archer for his "Dora Road

That such a painting should he in the show at all, let alone receive the prize, is in itself rather reassuring, for theme shows are always more appealsome considerable effort made ing to organisers than to artists, to organise what is at once an and the thought of what might appropriate event and a tempthave been sent in to show Loning treat. Here follows, then, have been sent in to show London's Spirit does give one my own somewhat arbitrarily pause. The jury was right to honour it more in the breach than the observance, mixture of late 19th and early 20th century English and European Company and drawassociations to serve, and its pean water-colours and draw-justification is an uncomplicated ings, with a leavening of more



Portrait of Dora Reid by Peter Archer, winner of the GLC competition

and generally professional mis-cellany of some 200 landscape, townscape, portrait and genre paintings, drawings and prints, and nothing mawkish, amateur-ish or sentimental. The rule for such things would seem to be that if the prize is worth winning good artists will be winning, good artists will try for it, and though they may not succeed, will be quite happy at least to be seen in decent company, and prepared to try again another year: so it goes on, with the quality and the repu-tation of the enterprise rising

together.
But rather more to the imme-

Mews, Angela Flowers is showing Small is Beautiful, a collection of paintings, drawings and prints by some 40 gallery artists and assorted guests, with as much as possible of the work priced as under 57th recent work including one or recent work including one or two things by the gallery's own artists, Tindle and Morley for example. The list runs from such as Alma Tadema and Burne Jones, Khnopfi, Klimt and Rops, through Grosz, Paul Nash, Wadsworth, Burra, Vaughan and Minton, to Balthus and Freud, with a marvellous priced at under £200. The artists include Tom Phillips, artists include Tom Phillips,
Prunella Clough. Frost, Irvin,
Sievens, Heath, Hambling,
Hughes and Hodgson — but
here I must declare my interest. I took part in the first
Small is Beautiful some nine or
ten years ago, and how could I
refuse the invitation: it was
certainly year, nice to be select Vaughan and Minton, to Balthus and Freud, with a marvellous early John Head, and delightful Spencer of businessmen on Cookham Causeway, on the way. One or two prices are high, admittedly, and unsurprisingly, but for the rest, most falls comfortably within the low thousands, more than half within the hundreds, the lowest of certainly very nice to be asked (until Christmas Eve). diate point are the prices at in the hundreds, the lowest of

seriously, we have stopped looking and grown undiscriminating, unable to distinguish between the real thing and the reproduction, and not caring: and this at a time when a beautiful drawing may be had for the price of the car's service, and a painting for a money—some possible Christmas Celebration (until December 23) is an invitation show, but though it includes a true professional or two, notably Feliks Topolski, her mind this true professional or two, notably Feliks Topolski, her mind the hundreds, the lowest of Wylma Wayne, too, puts me rather on the spot. Her Christmas Celebration (until December 23) is an invitation show, but though it includes a true professional or two, notably Feliks Topolski, her mind the hundreds, the lowest of Wylma Wayne, too, puts me rather on the spot. Her Christmas Celebration (until December 23) is an invitation show, but though it includes a true professional or two, notably Feliks Topolski, her mind the find the first of the car's certain the hundreds, the lowest of Wylma Wayne, too, puts me rather on the spot. Her Christmas Celebration (until December 23) is an invitation show, but though it includes a true professional or two, notably Feliks Topolski, her mind the first of the car's certain the hundreds, the lowest of the car's certain the first of the car's certain the first of the car's certain the hundreds, the lowest of the car's certain the first of the car's certain the first of the car's certain the first of the first An unseasonable homily per-presents from London Galleries haps, for which unseasonable presents

> which by far the greater part of the work is to be had — only six items at £1,000 or more, excellent prints for around £50 and charming, modest, admirable painting after painting in the lower hundreds. They are not masterpieces, perhaps, but pourni that embraces earlier many really are herening really are herening really are herening really are herening really are herening. not masterpieces, perhaps, but many really are bargains, real works and infinitely to be pre-ferred to the usual engraving of College or Inn of Court or old map. So do not be put off, either by the redundant title, or by the dreadful physical display, a dense hang on free-

standing screens.
The expected seasonal pleasures are, of course, the Christmas shows in so many of the galleries, in which choice items of stock are brought out to demonstrate the scope of the particular establishment, or

20th century work in general, but puts the emphasis rather more on the gallery's own stable of artists, with its strong Scotof artists, with its strong scot-tish connections: works by Houston, Michie, Remfry, Blackadder and Rimmington among many others, the prices very much in the hundreds, some things ever below £100. And across the road, the new Odette Gilbert Gallery is worth a look, its policy evidently to show a range of middle-of-theroad, even fairly well-estab-lished British figurative artists, the work straight-forward and Mary Fedden, Trevelyan, Rowntree and Cuming, the prices running from £1,100 or so for the larger oil paintings, middle hundreds for smaller works, low hundreds for the smaller So much for Cork Street.
Across London, in Tottenham

Covent Garden, The British Craft Centre is showing its December Collection, a display of contemporary fine art of all kinds — jewellery, ceramic, glass, furniture, textile — set out expressly to tempt you to put it into a Christmas Box, probably your own; for once bought, such things are very hard to give away, if you see what I mean: prices £2 to £2,000

And in Earlham Street

have said enough.

Toad of Toad Hall/Westminster

Nigel Andrews

Toad of Toad Hall leaps into the West End for the 24th successive Christmas, with the children in the audience yelling out responses as loudly as ever, and a lot more unceremoniously than in my childhood. "Behind you, you silly toad;" shouted one when our hero was threatened by a weasel. And when Toad cried, "What's that?" as a round, white ball skimmed past his head in the winter woodland scene, another tot piped up, "It's a snowball,

you twit." Obviously they've been brought up on too much television, the medium that can't answer back. David Conville's 1983 Toad is a lively affair, with from Chinn resplendent in the title role. He hops, he rasps, he croaks. He gives hearty guffaws, he wears blinding green panti-hose, and he makes his cheeks bubble in and out in toad-like similitude. He's also tricilly and fair concelled.

juicily and fatly concelled, a batrachian Bunter. Graham Seed is a charming Mole, waddling, kindly and per-plexed. (Where are they getting all these Grahams from? Are they being bred by the Kenneth

Weasel to Ratty at an unnamed overall tackiness of his vehicle. transfer fee. He's energetic and looks good in whiskers but hasn't individualised the character yet. Less heedless rushing about is needed, more hard work with nose, paws and squeaky seasonal show. Unfortunately, space and the best of the stationard of the seasonal stations.

the woodland scene is a little triumph with its stroboscopic snowfall and eerie wind noises. Whenever the show breaks into music, courtesy of the three-piece orchestra dressed in

anyone-for-lennis togs, it gives a nice bounce to matters. Two scenes go too slowly—Badger's house (second visit) and the dungeon-but mostly this is a Christmas show that poop-poops along in a fashion Toad himself

Sinbad the Sailor/Wimbledon

Michael Coveney

And David King thunders and harrumphs with striped face as Badger and does full justice to the best line in the play, when he's woken from hibernation. "But it's only half past December."

The only newcomer among the principals is Frank Vincent, who has been moved from Chief Weasel to Ratty at an unnamed in versill tackiness of his vehicle.

voice.

The economy-rural sets are still beautifully gaudy, as if some gifted child has run amok with coloured sticky-shapes, and tale dripping with opportunities the woodland scene is a little for invention, colour and excite triumph with its stroboscopic ment, has not been seen in snowfall and eerie wind noises.

H. Lannoy's listless and messy production are a few familiar set-pieces from the Ken Dodd Show interspersed with rather stale conventional panto scenes. I make an honourable excep-tion of the Aeromaniaes, a wonderful tumbling act

No-one embodies the festive Spirit more effortlessly than Ken Dodd. He is the Lord of Misrule personified, a charis-matic stage performer unhampered by such incidental pity of this is that Sinbad, a tale dripping with opportunities for invention, colour and exertement, has not been seen in London since 1907.

The three plot lines laid down early on involve the quest of Sheherezade for her captured husband, the search for buried treasure, and the protection of the Caliph's little nephew from piratical usurpers. All these sinbad's voyage from the port of Baghdad, on which he is accompanied by Ali Baba (Jacquie little and to be in a theatre, that is,

Sleeping Beauty/Theatre Royal, Stratford East

Michael Coveney

The Theatre Royal was exactly 99 years old on Sunday so, like Sleeping Beauty, should expect a handsome prince to hack his way through the concrete jungle thicket to deliver a revivifying kiss this time next year. Lord Gowrie would do just fine, for this splendid Victorian theatre, despite its con-tinued success in the community, is threatened by Arts Council cuts and the proposed abolition of the GLC.

After the wearyingly tasteful excrescences of the National's Cinderella, it was a relief on Friday night to sit in a house so suitable for pantomime and enjoy this charmingly designed and presented show. The story has been re-told by David Cregan so that Rose's fateful encounter with the cob-webbed spinning wheel is a result of 16 years of cossetting and over-

rotection. Children from the stalls join



Gordon Kaye and Darlene Johnson

in a game of grandmother's footsteps organised by Nurse Hallowpenny (a beautifully controlled and genteel performance by Gordon Kaye), Rose dispatches her friend Crispin to Crispin (Stephen Persaud) pick a few daisies, and she runs off to the forbidden turret.

Crispin (Stephen Persaud) comes back after the 100-year interval as his own princely

descendent. The three farry godmothers welcome him from the stage, but the theatre bouncers try to obstruct his descent from a box.

The theatre bouncers, spiv and teddy boy (Olivier Pierre and Ian Bartholomew), represent East End mythology. Representing the forces of darkness is Darlene Johnson's wicked fairy godmother in a spangled, demonic punk cos-

The music by Brian Protheroe combines simple rounds (for the sings-song), ebullient 1920s pastiche — the Nurse has a rousing Charleston-style "gutbuster," music hall, blues and metallic rock. There is a slight loss in tension towards the end of Philip Hedley's and Celia Bannerman's production, but that only serves to set the rest in pleasurable relicf. The delightful settings are by Gemma Jackson.

Bach Oratorio/Barbican

David Murray

Nicholas Ridley, Lord Rawlin-son, Sir Oliver Millar, Michael it was planned, in church ser-vices on six different days of Gough, William Golding, Robert Hardy, Nicholas Fairbairn, Hardy, Nicholas Fairbairn, Roald Dahl, Desmond Morris, the Christmas festivities: but Bevis Hillier, Frederick Raphael, your critic - but I cert performances have to serve the seasonal turn.

Finally I must put a word in for two shows, one of which I have yet to see. The London Group, founded before the First World War, is one of our One of those was what we had at the Barbican Hall on Saturday. End to end, the Oratorio makes a three-hour sit, without benefit of the great principal exhibiting societies, dramatic structure that founds Bach's Easter Passions. I can't and remains generously but critically Catholic in its mempretend that the English Baroque Choir and Orchestra bership. Its annual show opened at the Morley Gallery at the weekend, and is sure to contain work of high profes-sional quality across the broad made it seem one minute less than that: good singing and playing, with due reverent warmth, captured the marvelrange of contemporary figura-tion and abstraction, eminently lous exuberance and tenderness of the music only in a general

sort of way. It was all solid work, and the best of it better than that. The clean, ringing trumpets were an asset (they made a splendid return in the 6th cantata after their long coffee-break), there was an excellent tympanist, and the finely imaginative first flute was sorely missed in the second half where Bach gave him nothing to do. The continuo players were too widely separated, with some resultant

patchy ensemble.

(Lorsque l'enfant parait).

It would be nicer still to hear The conductor Leon Lovett | The Orchard Theatre in Germolina, ("But don't rub it really six separate cantatas—35 choral numbers proceeded confidently, not without an occasional suspicion of plod; arias got sensitive accompanipermit that now, and all-in con-ments, but three or four of them were belatedly accelerated—as if singer's and conductor's preferences hadn't been quite sorted out before the perform-

Last year at the Festival Berlioz in Lyons I admired William Kendall's Narrator enormously, in L'Enfance du Christ, where his lyrical detachment was ideally suited to the rapt, elevated music. As Bach's Evangelist here, he seemed altogether too detached-lovely phrases, of which there were many, conveyed no glad narrative tidings.

The other soloists were very Price, quiet intensity from the contralto Margaret Cable (square rhythmic enunciation like Mr Kendall's), fluent, friendly directness from the bass Brian Rayner Cook. I thought that one more thoroughgoing rehearsal—and quicker cues for the recitatives -would have brought it all

Cinderella/Orchard, Dartford

Nigel Andrews

place for Cinderella, since this spacious showhouse (just over a year old) is to most fringe-of-London theatres what a coach is to a pumpkin. There are spectacular window-walls, an elegant tangle of red girders spectacular window-walls, an boy costumes. Carole Brooke elegant tangle of red girders round the ceilings, many a luxuriant plant and, once past the ticket lady, a 900-seat auditorium with husb-manual and specific speci torium with push-me-pull-you seating—it can be concertina'd seating—it can be concertina'd always, were the children out back for conferences or snooker front. Shamelessly bribed by competitions — and adjustable

"is" Buttons, much as Sean It's an epic evening: the first Connery "is" James Bond. This half lasts longer than the is his 83rd assumption of the notorious first half of Boris role, and he charms his way through it with ad libs, double disparate in manner: keen and the ineffable Henderson air soprano raptures from Janet of having had one too many.

Those hungry for scene changes get a dozen of them here — from village square to fairy woodland to palace ball-

Miss Richard as Prince Charm-

breezy, piping charm; but she must watch those calories if she's going to wear principal soprano stakes.

But the stars of the show, as

The Orchard also has a no he isn't" and "behind pantomime well worth taking the kids to. Dickie Henderson theatre rehearing all afternoon "is" Buttons, much as Seen stage-to-air missiles comprising Godunor recently at the Garden. But if you count by enjoyment rather than minutes, it flies by.

'The Outcast' wins Brussels film award Another film made for channel 4's Film on Four series has here — from village square to fairy woodland to palace ball-room — and they're waltzed through by a cast including Jack Douglas, Wendy Richard, of Are You Being Served?, and Howell Evans and Patricia Kane as two formidable Ugly Sisters called Valderma and sels International Fil'a Festival.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts ap-

December 16-22

(until Christmas).

Opera and Ballet WEST GERMANY

N Sales

Berlin, Deutsche Oper: Madame But-terfly is sung in Italian and Hänsel und Gretel is a Philippe Sanjust pro-duction. Selome has fine interpretations by Ruth Hesse and Ingvar Wixell Carmen has Stefania Toczyska in the main role. Premiering this week is a new production of Orpheus in der Unterweit, produced by Götz Friedrich with a new cast.

Hamburg, Staatsoper, La Boheme fea-tures Ilona Tokody as Mimi and Jose Carreras in the part of Rudolfo. Der Liebestrank brings together Guiseppe Taddei, Marianne Hirati and Neil Shicoff. Die Frau ohne Schatten has Robert Schunk, Helga Dernesch and Gwineth Jones. Hänsel und Gretel rounds off the week. (351151).
Frankfurt. Opera: Premiering this

week is a new production of Die Trojaner, by the controversial East German producer Ruth Berghaus. It has Anja Silja and Rachel Gettler in the leading roles. Tosca, sung in Italian, convinces thanks to Mara Tomain to the leading to the leading to the leading roles. Zempieri in the title role. The revival of Der Türke in Italien is steered to triumph by Volkmar Olbrich's conducting, Aida has Rosalind Plowright excelling in the title role.

München, Bayerische Staatsoper: Don Carlos has performances of Margar-

et Price and Agnes Baltsa. Carmen starts Stefania Toczyska in the title role. La Boheme with Elena Cotru-bes and Bodo Brinkmann is an Otto Schenk production. Hänsel und Gretel closes the week. (21851). Stuttgart, Württembergisches Staats-

theater: There has been much ac-claim for Karl Orfs rarely-played Die Kluge. Der Troubedour has Ma-ris de Francesca-Cavazza and Ray-mond Wolansky in the main parts.

LONDON

Boyel Opera, Covent Garden: The mul-ti-lingual, stylistically anonymous version of Die Fledermaus proposed by the Royal Opera for several seasons has, at this revival, a properly mezzo-sopreno Oriotsky at last - in the person of Doris Soffel - and a strong point of interest in the form of Placido Domingo's conducting de-but in British opera. Otherwise the cast - Te Kanawa, Prey, Heichele, Luxon - is familiar, Last performance of Esclarmonde, second-rate Massenet uncertainly sung (even by Joan Sutherland), garishly set and acted, and weakly conducted.

English National Opera, Coliseum: The new production of Mireille is disappointingly less atmospheric than Gounod's beautiful music requires, but under Serge Baudo, the singing of the principals - Valerie

Masterson, Adrian Martin, Ann Howard – and the orchestral play-ing have at least an authentic stamp. The Madam Butterfly reviv-al has Eddwan Harrhy in the title role. (8363161).

Royal Ballet presents a mixed rep-ertory during the week - Cinderella with Sibley and Dowell on Thurs-Sadler's Wells, Rosebery Avenue: The energetic and brilliant Twyla Tharp company performs three programmes. (2788916).

Royal Opera House, Covent Garden:

La Scale, Milan: Turandot conducted by Lorin Maazel with scenery and tumes by Franco Zeffirelli. Placido Domingo and Katia Ricriarelli.

PARIS

Saint François by Messiaen alternates with Don Quixote, ballet in three with Don Quantite, ballet in three acts to Ludwig Minkus music, choreography by Rudolf Nureyev after Petapa, production by Rudolf Nureyev, Devor and costumes by Nicholas Georgiadis, conducted by Andre Presser/John Lanchbery at the Paris Opera – Palais Garnier Paris Opera - Palais Garnier

ontemporary Ballet evenings by the Paris Opera Ballet Corps and its choreographic research group at the Opera Comique-Salle Favart (2960611).

Nikolais Dance Theatre at the Theatre de La Ville (2742277).

NEW YORK

Metropolitan Opera (Opera House): The first seasonal performance of Hansel and Gretel, with Gail Robinrangel and Greet, with Gall Room-son as Gretel and Hilda Harris as Hansel conducted by Thomas. Ful-ton highlights a week that also in-cludes the first of the season's recital series, with Marilyn Horne ac companied by James Levine. Her programme includes songs and ar-ias by Handel, Schumann, Brahms and Bizet. Fidelio continues with soprano Eva Marton as Leonore, Roberta Peters singing the role of Marelline and Jon Vickers as Florestan. Other performances of the week include Tristan and Isolde ducted by James Levine with Hildegard Behrens as Isolde and Manfred Jung as Tristan, with Sam aritani's new production of Ernani

er (580 9830). New York City Ballet (New York State Theatre) Month-long performances of The Nuteracker continue. Lincoln

WASHINGTON

American Ballet Theatre (Opera House): The Baryshnikov Cinderella choreographed with Peter Anastos features levish costumes and sets by Santo Loquasto in this, its world premiere. Kennedy Center 1034 2720)

The Child in Art Rob van Mesdag

Victor Hugo once claimed - tongue in cheek - that all Columbus had done was to discover America, but that he had discovered the child

Whatever the truth of his state-ment, sociologists agree that from 1800 onwards the position of the child began to change. Until then a child had been no more than an adult-in-miniature, dragged into the struggle for life by working in a factory or on the land from the age of five or six. But during the 150 years which followed, an environment be gan to take shape tailored to what it was felt children required; schools, playgrounds, holidays, physical ed-

ucation, etc. The Brussels exhibition The child in art, from 1800 to the pres-

ent," illustrates how this changing "Marie Leys" and Alfred Chuysenaar Both show a family of three and role of the child in Belgian society (1837–1902). His picture "A Calling" both are of great quality; that is shows his young son in a comfort where their similarity stops.

The result is a collection of one hundred paintings and some sculptures ranging in type from neo-classic to surrealist, and varying in subject from portraits commissioned by well-to-do parents to pictures about life among the poor, some works being lent by the King, others by private collectors and mu-

century are well represented, some these are Joseph Lies (1821-1865). Roger Rabeel painted and put to-with his picture of a little girl gether three-dimensionally in 1981. week

able chair, about to fall asleep. Alois Nunin (1805-1855), Charles de Groux (1825-1870), and Pierre Jacques Dierckx (1855-1947), belong to this category. However, their pictures show children help-ing a blind man, coping with a drunken father, or at work in an orphanage, awakening society to so-

represented, interesting compari- could signify wealth. Belgium's masters of the 19th sons can be made between pictures with the same subject. There is a

Belgium's bourgeoiste of the past century is represented in scenes showing children receiving bible instruction - Henri de Braekeleer (1840–1888) – or being taught to knit Léon Frederic (1856-1940). In several pictures of children a dog is shown, either because this happened to be the particular child's favourite animal, or to give some hint In view of extremes in periods as to the child's character. Also it

"Het Kind on onze Kunst, van described as "Victorians" because of family portrait by François-Joseph the style of their work. Among Navez, painted in 1831, and one that Kreupelen-straat 12, 1000 Brussels.

Apr. 22	Pound Stirling	U.S. Dollar	Deutschemi	naYesenagaL	FrenchFrenc	Swies Franc	والاحب والأرام	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling U.S. Dollar	0,647	1,546 1,	3,788 9 451	366.3	11,545	5.185 AAL	4.265	2254.	1.897 1.227	75.45 48.82
Deutschemark Japanese Yen 1,000	0,264			char	ine d	rass	s rat	29		19.92 106.0
French Franc 10 Swiss Franc										.51 .69
Dutch Guilder Italian Lira 1,000	0.44		every	day ii	i the L	man	cial I	imes		17.70 38.47
Canadian Dollar Beiglan Franc 100	0,527 1,825	0,815 2,048	1.997 5.020	194.1 485.4	15.04	1.679 4,221	. 2.248 5.649	118v. 2987.	2,514	39.78 100.

cial evils.

halfway: set to meet forecast of £32m

TAXABLE PROFITS of Norcros the industrial conglomerate which failed in a bid to acquire builders merchant UBM Group earlier this year—increased from £12.51m to £13.9m in the first half to September 30 1983. Turnary closed from £166.44m to over slipped from £166.44m to £164.74m.

The interim dividend is being lifted from 2.05p to 2.3p net per 25p share, with earnings given as 7.76p (6.51p). For the previous year a total distribution of 6.32p was paid from pre-tax profits of £28.34m and earnings of 15.97p.

The directors are confident of The directors are confident of achieving the pre-tax profits of approximately £32m that were forecast during the course of the UBM bid. They remain convinced that the amalgamation of UBM within Norcros would result in a powerful trading force and they watch the company with increasing interest. Offer expenses of £1.27m have been charged below the line.

A breakdown of trading profits

A breakdown of trading profits of £14.61m (£13.92m) by division shows: ceramics £3.7m (£1.95m); construction £3.31m (£2.5m); engineering £1.99m (£1.98m); engineering £1.99m (£1.90m); print and packaging £2.87m (£2.47m); international £2.38m (£4.59m); and head office £364,000 (£430,000).

The construction division maintained an excellent performance at home, and benefited from a number of worthwhile export contracts, the directors report. The engineering division did well to hold its profitability in increasingly difficult trading circumstances, they add.

stances, they add.
Overseas, apart from Nigeria,
the subsidiaries increased their
effectiveness in coping with
recession and there are some
signs of improvement in the signs of improvement in the economic climates of the countries in which the group trades.

The concentrated capital expenditure programme of the group's overseas tile companies in recent years is virtually complete. Management effort is plete. Management enur. Is being directed towards a general improvement in margins and the effective use of the increased

BOARD MEETINGS The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not evaleble as it whether the dividends are interims or finals and the subdivisions shown below are based mainly on less year's timetable.

mainty on less year's timotable.

Interime Alliance investment, Jamos Austin Steel, Batleys of Yorkshire. Belgrave (Blackheath). British Lond, Cappor-Neill, F.M.C., Real Time Control, Stoddard, Trust Securities.

Finals: Carthon Communications, Citer, Windsor Securities.

Deimar Jan
Murray Northern Invest. Trust Jan
RTD Dec Sheefbank Property Trust Dec Symonds Engineering
Finaler
Bakers Household Stores
(Leeds)
Greenfinar Investment
Muirhead

capacity now available, the directors say. Crittall-Hope Nigeria suffered a "severe" shortage of raw materials, where import licences were required and not granted. As a result, turnover for the half year was down from £18m to £8m and profits more than halved to £850,000. The directors are hope-

Richards Jen Winterbottom Energy Trust ... Jen

ful that these problems will not Overseas associate companies showed a healthy improvement in profitability. However, Dar-lington and Simpson continued

to operate at an unsatisfactory level of profit.

The tile companies in which the group has an interest all in-creased profits relative to last

Pre-tax profits were struck effective promise were struck after interest charges of £2.13m (£2.28m) and included investment income of £743,000 (£495,000) and associates profits of £672,000 (£458,000). Tax took £5.85m (£5.3m).

See Lex

Upturn at Nash Industries as engineering improves

IMPROVED profits from its engineering activities enabled compared with £23,000. There Nash Industries, formerly J. F. Nash Securities, to increase its pre-tax profits from £414,000 to £876,000 in the year to September 30 1883. At the interim stage, profits were up from £179,000 to £256,000.

Interest charges in the year under review were up from £190,000 to £256,000. Turnover was higher at £14.97m compared with £11.75m, and trading profits were £881,000 against £604,000.

Tax for the year was £210,000 compared with £23,000. There extraordinary credits of £99,000 (£84,000), leaving attributable profits up from £179,000 to £256,000.

The total dividend is unchanged at 4p net with a same again final of 2.5p. Dividends absorb £170,000 (same), leaving retained profits of £395,000 (£305,000).

Earnings per 25p share improved from 9.2p to 10.9p.

An increase in profits was forecast at the half-year stage

This announcement appears as a matter of record

Ansaldo SpA

US\$28,161,070

Note Purchase Facility

Mediocredito Centrale (Istituto Centrale per il Credito a Medio Termine)

in relation to a contract

Northern California Power Agency

Arranged by

Continental Illinois Capital Markets Group

Atlantic International Bank Limited

Banca della Svizzera Italiana (Overseas) Ltd. Nassau

The Chicago-Tokyo Bank

Continental Illinois Limited

Grindlays Bank p.l.c.

Shawmut Bank of Boston, N.A.

The Sumitomo Bank of California

Continental Illinois National Bank and Trust Company of Chicago

(Milan Branch)

The Agent Continental Illinois Limited

DIVIDENDS ANNOUNCED

		Date		Total	Total
C	urrent	of :	sponding	for	Iașt
Pa	yment	payment	div.	year	year
Halmaint	0.61	Feb 13	*0.5	i1	- *1.31
J. & H. B. Jackson	0.95	April 9	0	.9 1.	7 1.6,
Marston Thompson int	0.57	Jan 27	*0.5	i1 . –	- *1.55
May & Hassellint	1.6	Feb 6	1	.3 —	- 3.8
A Monkint	12	Feb 10	1	.5 —	- 6
Nash Inds	2.5		2	.5	4 4
Norcresint	2.3	Feb 6	2.0	8 —	6.23
Syltoneint	3.6	Feb 10	3.	6 –	- 9
Whessoe	3			3 5.	5 4
Williams Lea	§3.5	_	-	5.20	5 5.15
Dividends shown pence pe	r share	net excer	t where o	therwise	e stated.

*Equivalent after allowing for scrip issue, †On capital increased by rights and/or acquisition issues. ‡USM stock. companies. 1 To reduce disparity.

Norcros at £13.9m | JFB losses soar by £6m to £10.89m Sheffield Forge

şidiary.

SPECIALIST engineer Johnson & Firsh Brown incurred pre-tax losses of £10.89m for the year to end-September 1983, compared with £4.88m previously, and is panies to London and Midland passing payment of its preference dividend due on September 1982.

The defetit

provement in results."

He says there are indications of increases in the order book in many areas, but adds that it is too early to tell whether this is transient or permanent.
Shareholders are told that demand for the group's aerospace demand for the group's actiospace products has remained at a low level, but that there are now indications that orders should improve, particularly in the second six months of the cur-

passing payment of its preference dividend due on September 30.

The deficit included a f9m share of losses of associate Sheffield Forgemasters, and although this loss in no way represented a drain on the group's cash resources JFB's overall losses required a transfer of £12m from reserves.

In a statement with the full year figures Mr John Clay, group chairman, points out that JFB's break-even level has been considerably reduced over the last three years and that a reasonable upturn in demand would produce an "encouraging improvement in results."

He says there are indications of losses trading profits would have covered interest charges. The share of Sheffield Forgemasters' losses was shomewhat higher than was anticipated at the time of the company's inception and was a consequence of a low level of demand at home and abroad for its passing profit of £12m (£4.9m) was incurred—the was anticipated at the time of the company's inception and was a consequence of a low level of demand at home and abroad for its the content of th

there are only limited signs of an upturn in the order book. However, rapid progress has been made on all Sheffield Forgemasters' rationalisation and capital expenditure schemes. The loss for the year had an adverse effect on the group's balance sheet. The £12m transfer from reserves has resulted in an increase in gearing from 57 per cent to 64 per cent even though

showed a decline from £39.4m to £36.7m.

The directors are continuing to take steps to conserve and generate cash so as to contain borrowing and interest costs.

Group turnover for 1982-83 totalled £102.2m (£161.5m). Cost of sales amounted to £86.28m (£140.68m) and other net operating expenses v lower at £14.09m (£19.96m). Tax for the year accounted for £152,000 (£794,000) and extraordinary debits rose from £106,000 to £1.1m—these included the "protracted and costly" dispute at the N. Greening subsidiare.

Loss per 25p share emerged at 10.9p (5.7p)—the group omitted its ordinary dividend last year and also passed its preference dividend due in March this year.

Pre-tax losses at mid-year were up from £3.95m to £5.74m.

comment Crippled by Forgemasters' losses

JFB's figures make grizzly read-ing. The "stubstantial" loss predicted for Forgemasters first year is far worse than expected.
The associate has been chopping away at overheads, taking the

break-even point down by a quarter, but demand has been falling away even faster. Sales are 30 per cent lowner than had been anticipated. JFB always sald it would take three years to get Forgemaster's right and that now looks on the optimistic side. While the loss from Forgemasters is creating a gaping hole in JFB's balance sheet the critical point for the company's bankers, at least in the short term, is whether JFB's whollyowned business can generate enough profit to service its debt. On these figures they are sadly lacking, even with a filem loss from Greening kicked below the line. The justification for that treatment is that the 24-week strike was a direct result of JFB's rationalisation costs go downstairs. Anyway Greening has sorely tested its customers' loyalty but the hope is that it will be back to greak even by the end of next month. There are some feint signs of an upturn—and it is the first ime JFR has falling away even faster. Sales

the end of next month. There are some feint signs of an upturn—and it is the firs time JFB has been able to say that for a long while—but without doubt the position remains finely balanced. At 61p the market capitalisation is under £7m—a "penny stock" in every 5ense of the phrase.

deficit worse than expected at £18m

Sheffield Forgemasters, the large steel and forgings and castings venture formed just over a year ago by the British Steel Corporation and Johnson & Firth Brown, suffered a pre-tax loss of £18m on turnover of £92,1m in the 65 weeks to July 2, 1983. Mr Don Harwick, the JFB director who is chairman of Forgemasters, said in his statement written at the end of October that the loss was worse than expetted when the venture

was set up. Turnover was 32 per cent lower than the estimate made in July, 1982 and 16 per cent below the reivsed forecast made in October, 1982.

Mr Hardwick said activity in

the caiptal goods industries, such as areospace, shipbuilding and energy, had not turned up in the way expetced, and there was still no clear sign of an upturn Plant closures already ex-ceeded the plan but more oppor-tunities clearly presented

The group has used film of rationalisation provsions it made a year ago.

a year ago.

Forgemasters' opearting loss was £15.8m and it had net interest payable of £2.3m.

Minority interests took off £2.0m and there was an extraordinary gain of £469,000 as a result of closing a small foundry as part of the Lazard rationalisation scheme. The attributable loss was £17.6m.

loss was £17.6m.

The balance seheet shows net assets of £67m, down 23 per cent from the pro-forma balance sheet at July 4, 1982. The presentation of the balance sheet makes it impossible to determine capital gearing, but a Forgemasters official said it was about 40 per cent. The comparative balance cent. The comparative balance sheet showed gearing of less than 5 per cent.

Smurfit forecasts

£12m for year

IN A letter to shareholders, Mr IN A letter to shareholders, Mr M. W. T. Smurfit, chairman of Dublin-based packaging, printing concern Jefferson Smurfit Group says he anticipates that pre-tax profits for the current year, to end on January 31, will approach If12m.

Profits at the midway stage were well down at £2.61m, against £5.57m, and the full-year forecast is compared with £14.24m (£21.38m) for 1982-83.

Mr Smurfit now says he is confident that the worst "is now behind us and the current levels of activities in the majority of

of activities in the majority of our plants lead me to believe 1984, our 50th year in business, should be a record year in terms of both earnings and sales."

of both earnings and sales."

He points out that the Jeffersoo Smurfit Corporation, the holding company for the group's U.S. operations had a successful public offering in the U.S. The offering was sold out and raised \$50m from the sale of 2.1m shares at \$24 each.

These shares have recently traded on the U.S. stock market at \$27, he points out, effectively valuing the Jefferson Smurfit Corporation at \$270m (approximately £187m sterling). This is equal to 144p per group share for the group's 80 per cent holding.

ing.
Mr Smurfit says that recently the group has concluded the arrangement with MacMillan Bloedel of Canada, for the merging of the two companies respective UK corrugated interests. tive UK corrugated interests.

He says that this joint company is now the second largest producer of corrugated in the UK and "will be a major customer for the group's three UK waste based paper mills which will bring substantial long term benefits."

The chairman points out that quarterly figures will be published in 1984 for Jefferson Smurfit Corporation to conform to U.S. law, but he cautions that these should not be misconstrued with the group's twice-yearly reporting.

He adds, however, that they will have a material affect on

will have a material affect on group results as the Corpora-tion accounts for a "very large percentage of the group's assets.

Claff Oil

The last date for conversion of Cuff Oil convertible "A" shares is December 31 1984, and not December 31 1983 as reported in Saturday's edition.

Lower second half checks Whessoe growth

SECOND HALF pre-tax profits of engineering company Whessoe fell from £4.39m to £3.99m, but for the full year ended Sep-tember 24 1983 the figure was ahead at £6.88m, compared with

anead at 20.85m, compared with £6.51m.

Turnover expanded from £98.18m to £111.35m for the 12 months and the dividend is in-creased to 5.5p (5p) net per 25p share with a same-again final Operating profits slipped from 15.28m to 15m but the pre-tax figure was boosted by higher associate's share, up from 1485,000 to 1792,000 and net interest receivable 11.08m

receivable, £1.08m (£760,000).
Profits, before tax of £2.78m

(£2.39m), were split as to: heavy engineering £4.62m (£3.33m); high pressure pipework (Aiton) £1.41m (£2.31m); light engineering £850,000 (£868,000).

After minority interests, last time, of £603,000 and extraordinary debits, down from £710,000 to £271,000, attributable profits for the period came

May & Hassell sharp progress

A FURTHER sharp recovery was a c c o u n t of depreciation of achieved by timber importer May 5528,000 (£427,000), interest and therefore ship prices, are at an all-time low, the directors ended September 30, 1983, and £67,000 (£109,000) share of asso-bave re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low, the directors have re-established a shipping that freight rates, and therefore ship prices are at an all-time low that all the shipping that freight rates, and the shipping that the shipping that th

future its results will be con-solidated. For the first helf its status as a 50 per cent owned associate was reflected in the

digested pre-tax profits substan- caused some orders for Whesso fildim (f2.3im): light engineering f350,000 (£868,000).

After minority interests, last time, of £603,000 and extraordinary debits, down from £710,000 to £771,000, attributable profits for the period came through just behind at £3.83m, against £4.01m.

Dividends will absorb £994,000 (£903,000) leaving £2.83m (£3.11m) retained. Earnings per share were 22.7p, compared with 26.1p.

Comment

Whessoe's share price fell 8p yesterday to 108p as the market

subsidiary, Frampton Shipping Co, which owns one vessel—the 1,570-tonne Emanaich.

It is presently engaged in

digested pre-tax profits substantially below the \$7\cdot m-\text{Esm} that to be postponed, the company had been widely forecast. In fact the shortfall from that abandonment of that project long term, since Whessoe's most losses on contracts undertaken by Aiton UK. So in a sense by Aiton UK. So in a sense whessoe's profits are exactly in sline with expectations. The key question for the future is a reflection of the company's whether the company can gain the sort of business to replace the long-term quality of earnings from AGR contracts which are nearing completion. The fact gain from the sonse whether the company is for the PWR's main rival, the AGR. Whessoe's most lucrative work is for the PWR's main rival, the AGR. Whessoe's cash pile is still about film, so the sharp rise in interest receivable to more than film is a reflection of the company's caution in what it allows the line. The company regards about half of that sum to be available for acquisitious suggests some unease in that regard. Although the delays to Sizewell B PWR have

Court Line creditors get another 2p

Mr Guy Parsons, of Peat, Marwick, Mitchell and Company, joint liquidator of Court Line, amounces a sixth dividend of 2p in the £, bringing the total to 20p, compared with the 10p indicated in the statement of affairs. affairs.

The dividend will be paid early in the New Year on agreed claims from creditors amounting to approximately 145m.

European trade, and will be employed in the timber trade as necessary.—The company has established itself, in Leeds as, a timber merchant, and J. S. Towell, of Boston, Lincs, whose freehold premises are adjacent to the company's has been nur-The principal matters holding up the closing of the liquidation relate to the settlement of to the company's, has been purfinal disposal of the two Court Line hotels in St Lucia. Payment of any further divi-dends to creditors of Court Line will depend on the outcome of these matters.

Halma jumps and heads for record year

Halma, manufacturer of safety Haima, manutacturer of salety systems, environmental control equipment and security and specialised engineering equipment, pushed its midterm pretax profits up from £853,000 to £1.37m and is effectively lifting its interim divided from 0.505p to 0.606p net per 10p share.

Following these "excellent"

to 0.606p net per 10p share.

Following these "excellent" results the chairman predicts that profits for the full year will be a record for the group.

He tells shareholders that both Wilkinson and Simpson and Apollo Manutacturing have operated very satisfactorily since joining the group and that the outlook for each "looks promising."

Group turnover for the first

promising."
Group turnover for the first half, to October 1 1983, improved from £7.79m to £9.75m.
Earnings rose from an adjusted 1.57p to 2.28p.
The companies based in the UK continued to produce "outstanding" results with significan progress being achieved in each division.
The only exception to this strong pattern was Argosy Fenton, the subsidiary which manufactured louvres and smoke venting equipment for the conventing equipment for the con-struction industry and which remained in a loss position during the period.

This company was closed in November this, year and its closure should have a marginally beneficial impact on the group pre-tax profit in the second half. Among the overseas com-panies Post Glover showed some signs that it is starting to bene-fit from the upturn in the U.S. economy.

An American division has been established to cover all the group's activities in the U.S.

First half downturn at A. Monk but interim raised

ended September 30, 1983, and f67,000 (£109,000) share of assotiates improvement is expected to be more than maintained through the second half of the year.

With the exception of the Belgian subsidiary and Hallam all group companies are trading profitably.

On a £5.89m rise in turnover, maining 50 per cent of Hallam profits at the pre-tax level soared from £126,000 to £1.29m for the future its results will be con-

A DECLINE from £1.38m to increasing its activity in the pri A DECLINE from £1.38m to £1.14m in pre-tax profits is reportted by A. Monk & Co. for the half year to August 31 1983. The interim dividend is raised from 1.5p to 2p net, and the directors say this is to reduce disparity with the final. Last year a total of 6p was paid from pre-tax profits of £3.6m.

Turnover of this building and

profitably.
On a £5.89m rise in turnover, profits at the pre-tax level soared from £126,000 to £1.29m for the opening half and the interim dividend is being stepped up by 0.3p to 1.6p net per 25p share.
Profits were struck after taking

vate housing sector.

It expects this to result in modest increase in house buildmodest increase in noise outlo-ing activity during 1984-85.

The company has also moved cautiously into development work. One small development is near completion and two others are in progress.

Turnover of this building and civil engineering contractor was £7m higher at £52m. Tax was up from £344,000 to £398,000. Earnings per 25p share fell from 8.9p to 6.8p. Dividends absorb £216,000 (£162,000).

Turnover of this building and Cash resources are more than adequate to allow for further extension. In addition, it has identified other areas of activity in in demand over the next decade, and has taken stems to answer.

Investments sale lifts Jackson

A sharp rise in the surplus on A sharp rise in the surplus on the sale of listed investments from £626,000 to £1,81m and a fall in trading profits from £2.51m to £1.77m left taxable profits of J. & H. B. Jackson £442,000 ahead at £3.58m for the year to September 30 1983.

And with earnings per 5p share of this metal merchant, forger and engineer given as 10.9p, compared with 8.7p, the final dividend is being lifted from 0.9p to 0.95p,

Turnover slipped from 225.42m to £23.29m. After tax of £821.000 (£901.000) and extraordinary debits of £113.000 to 6.8p. Dividends absorb £216,000 in demand over the next decade, £22.42m to £23.29m. After tax of (£162,000). The company has purchased will be in a position to grasp the some development sites in the opportunities which it believes (£103,000) the attributable East Midlands, with a view to will be presented.

A.B.N. Bank

Allied Irish Bank Amro Bank Henry Ansbacher Arbuthnot Letham Armco Trust Ltd. Associates Cap. Corp. Banco de Bilbao Bank Hapoalim BM ... Bank of Ireland
Bank Leumi (UK) plc
Bank of Cyprus
Bank of Scotland
Bancus Bale Bremar Holdings Ltd. Brit. Bank of Mid. East Brown Shipley CL Bank Nederland 9 %
Canada Perm't Trust 10 %
Castle Court Trust IAd 9 %
Cayzer Ltd 9 %
Cedar Holdings 9 %
Charterhouse Japhet 9 % Citibank Savings 101% Clydesdale Bank 9% C. E. Coates The Cyprus Popular Bk. 9

Kingsnorth Trust Ltd. 10 9 Knowsley & Co. Ltd. ... 919 Mowsey & Co. Ltd. ... 9
Lloyds Bank 9
Mallinhall Limited ... 9
Edward Manson & Co. 10
Meghraj and Sons Ltd. 9
Midland Bank ... 9
Morgan Grenfell ... 9
National Pk of Francis Morgan Grenfell

National Bk. of Kuwait
National Girobank

National Westminster
Norwich Gen. Tst.

R. Raphael & Sons

P. S. Refson & Co.

Roxburghe Guarantee
Royal Trust Co. Canada
Standard Chartered

Trade Dev. Bank

TCB

Trustee Savings Bank
United Bank of Kuwait
United Mizrahi Bank

Volkskas Intnl. Ltd. Volkskas Intnl. Ltd. ... Westpac Banking Corp. Whiteaway Laidlaw ...
Williams & Glyn's ...
Wintrust Secs. Ltd. ...
Iorkshire Bank

Members of the Accepting Houses Committee. Committee.

7 -day deposits 5.5%, 1-month 8%. Short - term £8,000/12 months 8.1%.

7 -day deposits on sums of: under £10,000 57-%. £10,000 up to £50,000 57-%. £50,000 and over 72%.

3 - Cell deposits £1,000 and over 52%.

3 - Zi-day deposits over £1,000 61-%.

5 - Demand deposits 59.7%.

Mortgage base rate. Dunbar & Co. Ltd. 9 % Duncan Lawrie 9 %

Same at the

will also expand further in

G. & G. Kynoch A second half profit of £89,000 virtually erased interim losses at G & G Kynoch, leaving this woollen cloth manufacturer with a reduced full year taxable deficit of £14,000 against £334,000.

The directors are confident that policies undertaken for recovery and development will produce a further improvement in trading results during the current year, although, they point out, it is still too soon to consider paying a dividend this time.

Example 1 in the first half of Bridge 2 subsidies.

consider paying a dividend this time.

Including an increase in stocks of finished goods and work in progress of £216,000 (reduction £164,000), turnover for the 12 months to August 31 1983 rose from £1.39m to £2.22m.

The taxable result was after interest charges of £84,000 (£54,000)—last year there was an extraordinary debit of £110,000. The tax charge was unchanged at £3,000, after which the loss per share is shown as falling from \$7.2p to 4p.

In the first half of 1983 Fa Bridge, a subsidiary of £m Corporation of the U.S. w designs and makes machines and metal extrusion, turnover advanced £3.46m to £57,000 to profits of £366,000 (£54,000)—last year there was alle was cut from £27,000 and the tax charge to £3.46m to £3,000 (credit £73,000).

Charter Trust

In the year ended November 3, 1983 net taxed revenue of Charter Trust and Agency moved ahead from £1.53m to £1.61m, and the dividend is lifted from the equivalent of 1.85p to 1.88p, with a final of 1.5125p. At November 3 the net asset value stood at \$1.5p, against 75.2p on May 31 and 63p a year ago, after prior charges at par. prior charges at par.
Total income came to £3.28m
(£2.87m). Debenture and loan
interest took £592,564 (£431,236)
and tax £327,130 (£679,681). Per share earnings are shown at 1.99p (1.89p).

Hanson Trust

October 1983

COMPANY NEWS IN BRIEF will also expand further in America.

He confirms that Hanson's major farkets in both the UK and the U.S. are in an economic upturn. With the strength of the balance sheet and cash resources exceeding £400m, the company is in the company is the company to the company is the company to the company in the company is the company to the company is the company to the company in the company is the company to the c

company is in an excellent competitive position, and the directors say that the standing and fortunes of Hanson will con-

In the first half of 1983 Farrel Bridge, a subsidiary of Emhart Corporation of the U.S. which feetings and makes machines for rubber and plastic processing and metal extrusion, turned round from taxable losses of this declined from £16.01 £15.87m. Earnings emerg are full from £257,000 to profits of £366,000.

Turnover advanced from The rights issue by Heymond Williams Turnover advanced from 53.46m to 55.76m. Interest pay-she was cut from £27,000 to £12,000 and the tax charge came to £97,000 (credit £73,000).

Parkfield Foundries, a USM company which acts as a sup-

plier of iron castings, has cut its loss from £85,700 to £67,700 in the half-year ended October 29 the half-year ended October 29 1983. An improvement in the order book led to a small profit in the second quarter; the improvement has continued into the third and will be further enhanced by the benefits of the Walker acquisition, the directors report

report.
Proceeds of the August rights cent, and it has decreased further was 196.6p. This is compared since then due to improved with 127p December 31 last, and trading Present indications are that there will be a significant reduction in borrowings by the Winterbottom Energy year-end

Hanson Trust

In his annual statement, Lord (£48,150) the half year's net loss Hanson, chairman of Hanson is reduced to £32,000 (£39,550).

Trust says that for the future he is confident, not only that U.S. £6,750 (£3,850) are charged as operations will continue to prosper, but that the company share is 1.07p (1.32p).

Mr G. Cantlay is retiring from the chairmanship at the end of the year, but will remain on the board. Mr R. Felber will become chairman.

Williams Lea

Financial and specialist printer Williams Lea Group raised its pre-tax profits by 27 per cent to £1.41m over the year to October 2, 1983, but the dividend total is being held at 5.25p

nent total is being neid at 5.20p net with a same-again final of 3.5p.
Sales of this unquoted company declined from £16.01m to £15.87m. Earnings emerged at 37.93p (36.65p) per share after tax of £555,000, against £279,000.

The rights issue by Heywood Williams has been slightly undersubscribed. Of the shares

offered, 90 per cent were taken up by shareholders. The balance of 216,825 shares has been sold at a net premium of 20p per share, and the proceeds will be

share, and the proceeds will be distributed to entitled share-holders. Doranakande Pre-tax profits of Doranakande Rubber Estates improved from £37,787 to £48,875 for the nine months ended September 30 1983. Earnings per 10p share were 4.498p, compared with 3.483p, after tax of £14.717 (£11.339).

As known the interim dividend issue reduced the borrowing is increased from Ip to 1.5p. As ratio from 76 per cent to 40 per as September 30 net asset value

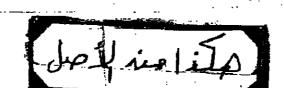
Winterbottom Energy Net asset value per Winterbottom Energy Trust 5p share was 86p as at close of business on December 16 last, after deduction of prior charges at par, and 88.1p after deduction of prior charges at market value. prior charges at market value.

Granville & Co. Limited

BASE LENDING RATES

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212 **Over-the-Counter Market**

Price Change div.(p) % Actual 122 — 6.4 5.2 7.1 134 — 10.0 7.5 — 78 — 6.1 8.0 21.7 21.7 22.2 10.6 8.4 7.3 17.1 4.5 11.4 4.0 20.0 5.7 2.9 14.6 7.8 3.9 5.0 1.3 16.5 5.8 7.7 7.0 13.9 17.2 8 0 12.5 22.3 14.1 10.0



record by

Marston Thompson advances midterm

FOR the six months ended September 30 1983 taxable profits of brewer, wine and spirit merchant Marston Thompsan & Everabed improved from £3.55m to £3.87m and the interim dividend is effectively raised to £565p net, compared with an adjusted £512a.

net, compared with an adjusted 0.512p.

In July the directors, who reported year-end profits up from £6.09m to £6.86m, said that the first few months of the year had been difficult owing to adverse weather conditions, but the com-pany was holding its market

share.

They now say that the good summer engendered a substantial growth in lager sales, including that of the company's own lager, although draught beer, Marston's main asset, never fully recovered and they ended the six months slightly down on 1982.

However, an improved performance in managed houses, together with a better contribution from wines and spirits helped result in an increased trading profit—up from £3.2m to £3.64m.

falms b

Turnover of this Burton-on-Trent concern rose from £23.43m to £24.56m

Trust valuing Midiand at about a Constitutional.

St. 9m.

Britannic, with the Britannic Pension Fund. already controls 35 per cent of Midland's shares.
The offer, which would lead to the liquidation of the trust, was described yesterday by Britainnic as a "tidying up operation." Intended to cut overhead costs and to "get management charges right."

The terms of the share offer to 450p.

The terms of the share offer to 450p. Tax charge for the first half amounted to £1.81m (£1.75m) and after extraordinary credits of £105,000, against £111,000, the attributable balance came through at £2,17m, compared

through at £2.17m, compared with £1.9m.
Extraordinary items consisted of £9.000 discount last time on debenture stock redeemed; profit on the sale of properties £68.000 (£102.000), profit on maturity of investments £37,000 [mil].

f68,000 (f102,000), profit on mainrity of investments £37,000 (nil).

Earnings per share were 2,87p at less one for one Britannic share.

The terms of the share one in 450p.

To 450p.

In addition to the shares capital.

By contrast, if shareholde and its pension fund, the company share for each Kidland pany said yesterday that it had then Warburg would nominal won irrevokable acceptances of be liable to pay about £5.7m.

Arenson Group

Mr Archy Arenson, chairman of the Arenson Group, told shareholders at the annual meeting. "The various steps taken during the second half of last year to after the company operating strategy enabling it to return to profitability are proving successful."

KAWASAKI STEEL CORPORATION

NOTICE IS HEREBY GIVEN to Bondholders that, by a Merger Agreement disact October 25, 1855 between Kawasaki Sheel Corporation (the "Company") and Kawatetsu Chemical Industry Co., Ltd. (the "Merger Agreement"), it his been agreed that the Company will merge with Kawatetsu Chemical Industry Co., Ltd. ("Kawatetsu"), a Japanese corporation of which the Company currently holds 25 per cent. of the issued share capital. Pursuant to the proposal (to be submitted to the shareholders) of the Board of Directors of the Company held on October 25, 1853, the Company will absorb Kawatetsu which will be dissalved; shareholders of Kawatetsu will raccive 10 Yen 50 par value shares of the Company for one Yen 56 par value shares of the Company for one Yen 56 par value shares of the Company for one Yen 56 par value shares of the Company for one Yen 56 par value share of Kawatetsu. The abovo merger is subject to the approval of the shareholders of the Company and Kawatetsu swill be beid on December 22, 1983 and December 21, 1983. respectively, for the purpose of approving the merger. Subject to the approval of the shareholders and the completion of other necessary procedures, the merger will lake place on April 1, 1984. The merger will not result in an adjustment of the Company procedures, the shareholders, it is scheduled that the Company will make public notices on the Official Gazette in Japan on December 22, 1983 to the effect that the Company's creditors may raise objection, if any, to the proposed merger by February 15, 1984, in accordance with the Commercial Code of Japan. NOTICE IS HEREBY GIVEN to Bond-

KAWASAKI STEEL CORPORATION By: The Bank of Tokyo Trust Company as Principal Poying Agent Dated: December 9, 1983

Rights will lift Bond's Airship stake

Sound Diffusion

in £0.8m deal

Sound Diffusion has conditionally agreed to purchase W. H. Bateman and Son, and Bateman Caterquip (together called Bateman) of Tipton, West Midlands. The consideration of £830,000 will be satisfied by issue of approximately 573,000 ordinary in Sound Diffusion, representing approximately 0.42 per cent of the present issued share capital. The final number of ordinary to be issued will be determined on completion, which is expected to

current rental of £22,750 per

The consolidated profit before

The consolidated profit before payment of remuneration to the two retiring directors, and tax for 1982, amounted to approximately £228,000.

Sound Diffusion has embarked on a course of diversification by acquisition in order to enlarge their sphere of activities in areas where they can utilise existing expertise in marketing and renting equipment.

The directors of APV Bell Bryant advise shareholders that circumstances have arisen which

may result in an offer being made by APV Holdings for their holding in the company.

In the meantime, directors

advise holders not to sell their shares.

Mr Stephen S. James of Thomson McLintock and Co has been appointed as receiver and manager of Roverhire Ltd and Roverhire Auctions Ltd at the request of the directors.

The receiver is looking for a purchaser of the self-drive hire business with its fleet of 74 cars together with an extensive com-

together with an extensive com-plex of leasehold offices, work-shops, auction hall and car park

*

for Bateman

THE Bond Carporation, owned by the fiamboyant Australian entrepreseur Mr Alam Bond, is ilkely to become a substantial shareholder in Arisket industries the company. He is entitled to the nursiled later this week. Mr Bond legot to fame this remaining the present of the properties in the wake of a rights issue to be unveiled later this week. Mr Bond legot to fame this such that the first time when his yacht Australian in the company and the properties in the struggling Airshop Industries, which was issued Airship Industries cash as issued that it is planning a 'major rights issue, was revealed yesterday at a part to first time in 122 years.

His interest in the struggling Airshop Industries, which was issued that it is planning a 'major rights issue, was revealed yesterday was revealed yesterday was not the company amounced that it is planning a 'major rights issue the company made a greed to underwrite.

Exact details of the rights issue will be released later this week. While it is cechnically possible that current shareholders are could take up their rights in fall.

The Bond Carporation as distinct the cutcome will be that Mr Bond will be released the more well as proposed of the anticular that the company and the company and the company in factor and the first time will be released to the was a proposed of the anticular that the first time will be released the major and the company and the company is facing acret will be released later this well as first the control will be released to the major and the company is facing acret will be released that the current will be released the major and the company is facing acret will be released that the current will be released the this proposed of the anticular that the current with a file of the first time will be released the the company and the company and the released that the

BRITANNIC ASSURANCE yesterday announced an agreed shares or cash offer for Midland shares or cash offer for Midland at about 18.9m.

Britannic, with the Britannic to 100 per cent of net asset value the offer from shareholders accounting for a further 14.9 per cent of Midland's shares. This means Britannic can now account for 50.9 per cent of the shares.

Akroyd shareholders

approve Mercury stake

SHAREHOLDERS of Akroyd & had considered the proposals Smithers, the stockjobber, from Mercury. "In the short yesterday approved arrangements which will allow Mercury Securities, the parent company of er cannata b hank S. G. War.

the jobbing company, told shareholders that "there are many
changes taking place within the
securities industry and the
future course of events is uncertain. But judging by what happened in the U.S. when faced
with a similar upheaval in 1975
second stage included a further

with a similar upheaval in 1975 second stage included a further it is most essential to have a issue of new Akroyd shares in strong capital base and the exchange for Mercury conpotential of international coverage both of which this deal should provide."

He added that it was against this background that his board

Kraft Productions, the loss-from a group of "private in-making Somerset furniture vestors," he said he expected an maker, revealed yesterday that it was at an advanced stage of Trading in Kraft's shares was

Kraft Productions talks

with potential bidder

Britannic bids for Midland Tst. **Brammer spends** £180,000 on

electronic side

Brammer has reached agreement with Mr D. P. Dawson for the purchase of his 20 per cent shareholding in United

Electronics. UE is part of the United Elec-

UE is part of the United Electronic Holdings group which was acquired by Brammer earlier in the year.

The total purchase price of £180,000 is to be satisfied in three instalments by the issue of an appropriate number of Brammer ordinary shares. The first instalment, £100,000, will be satisfied by the issue of 70,922 Brammer ordinary shares

Mr Dawson will remain man-Mr Dawson will remain man-aging director of United Elec-tronics.

By contrast, if shareholders opted for the cash alternative, then Warburg would nominally

If outside shareholders were all to accept the share offer, then at the agreed Britannic share price, the 64 per cent stake in Midland not yet owned by Britannic would cost an equivalent of £6.2m. It would result in the issue of 1.36m new Britannic shares, an increase of

Britannic shares, an increase of 7.1 per cent in its issued share capital.

Dunlop signs sale contract

Dunlop Holdings and Sumitoms

with Sumitomo

Dunlop Holdings and Sumitomo Rubber Industries have signed the main contract covering the sale of most of Dunlop's European tyre business to the Japanese group.

The deal is essentially as announced last September except that the fall in the value of the pound has led to an increase from £41m to £43m in the interim payment Dunlop is to receive payment Dunlop is to receive by the year-end. The total con-sideration is about 582m and the balance is due io January 1985.

The consideration of £830,000 will be satisfied by issue of approximately 573,000 ordinary in Sound Diffusion, representing approximately 0.42 per cent of the present issued share capital. The final number of ordinary to be issued will be determined on completion, which is expected to be on February 14 1984.

The net tangible assets of Bateman at December 31 1982, amounted to approximately 538,320, plus the leasehold of Bateman is December 31 1982, amounted to approximately in the deficient of the meeting of the meeting of akroyd shareholders that the decided not to refer the £41m Mercury-Akroyd deal to the Monopolies and Mergers Commission.

At the Akroyd meeting Mr
Brian Peppiatt, senior partner of by an issue of new Akroyd shares in exchange for Mercury conholders that "there are many vertible stock which we work the polar in the U.S. and in Eurobonds, both in London and abroad, and detailed discussions are taking place on how these proposals can best be implemented."

He concluded: "The board had sufficient confidence that the fail mercury-Akroyd deal to the Monopolies and Mergers Commission.

At the Akroyd meeting Mr

Brian Peppiatt, senior partner of our capital as a first stage." Berkeley & Hay Hill states that by 3.30 pm on December 19, acceptances had been received by Promotions House in respect of 17,086,303 ordinary shares in Berkeley (58.95 per cent). In the document setting out terms and conditions of the offer. it was announced that irrevocable undertakings had been received by Promotions House to accept the offer in re-spect of 7.893,989 shares of Berkeley (27.23 per cent), and acceptances have now been re-ceived in respect of these shares which are included in the above

> As acceptances have been received in respect of more than 50 per cent of voting rights attributable to the shares for which the offer is made, the board of Promotions House has declared the offer unconditional as to acceptance:

However, it should be noted that the offer is still conditional on passing at an EGM of Promotions House convened for tomorrow, of resolutions to in-crease authorised share capital of Promotions House; to authorise the allogment of shares; to approve the acquisi-tion of Berkeley, and to increase

it was at an advanced stage of negotiation with a group of investors who may make a bid for the company.

Mr David Burne, a director of Kraft and a holder of 24 per Kraft made a net loss before the company shares to the company a market capitalisation of £2m.

Kraft made a net loss before borrowing powers of the com-pany as well as the Stock Ex-change granting permission for Promotions shares to be created, krait made a net loss before tax of £170,000 in the 12 months to December 31 1982 on a turnover of just under £800,000. This compared with a £57,000 loss in 1981, on a turnover of allotted and issued pursuant to the offer to be dealt in the USM

output still exceeds demand URANIUM production has fallen

Uranium

sharply from a peak in 1980-51 but still outstrips demand for nuclear fuel, according to the latest OECD estumates, writes David Fishlock, Science Editor. SHARPLY HIGHER nickel Investment income and interest royalty payments from Australia's Western Mining Corporation and a generally steady performance from the other operations are sufficient to meet four or five years of reactor requirements and are still growing.

Yet uranium production for the world outside the communist areas (WOCA) has fallen from 44,000 tonnes in 1980 and 1981, and 41,000 in 1982, to an estimated 38,000 tonnes this year.

According to Mr Derek Tay.

and 41,000 in 1982, to an estimated 38,000 tonnes this year.

According to Mr Derek Taylor, an OECD official with the Nuclear Energy Agency in Paris, writing in the January issue of Nuclear Engineering International, the 10th edition of the OECD "Redbook" on uranium resources, production and demand will reveal a situation of "continuing overscopply of uranium in spite of recent cutbacks in production. The country most severely affected is the U.S., where many mining facilities are using on average only 60 per cent of capacity.

Since 1980 there have been small falls in production in South Africa and Namibia, but increases are reported from the opening six months of 1982/S3. The opening six months of 1982/S3. The opening six months of 1982/S3. The rise in earnings per share from \$\frac{1}{2}\$ to inpersive, following the rights issue and share place ment carlier this year, but the parings gold joint wenture in Western Australia and the parings gold joint wenture in Western Australia and the parings gold joint wenture was find the first ball the parings gold joint wenture in Western Australia and the parings gold joint wenture was find the rights issue and share place from \$\frac{1}{2}\$ find the dividend is being main-tailed at 1p on the increased a tip on the increased at 1p on the increased at 1p on the increased as the U.S., where many mining facilities are using on situation of "Continuing oversity and the paring for the production from the Scaland in Western Australia and the parings of the groups for the price is a paring for the production from the production from t

Since 1980 there have been small falls in production in South Africa and Namibia, but increases are reported from Australia, Brazil and France.

The Redbook surveys information gleaned from about 5:0 countries, analysed in a joint exercise by the Nuclear Energy Agency and the International Atomic Energy Agency. The new edition of this bi-annual survey should be published next month.

Projections of production capacity for WOCA, based on well-established uranium resources recoverable at costs up to \$130 per kilogram, suggest that the production capacity of centres of production already existing or committed will rise to about 50,000 tonnes a year by 1990.

This capacity will then remain constant for five years.

A longer-term projection, to 2025, suggests that if the demand were to appear, existing, com-mitted, planned and prospective production capacity could rise rapidly to about 70,000 tonnes by the early 1990s, and maintain this level until early in the next

These estimates do not include many of the U.S. mines currently on standby, because they may not be economically competitive within a few years. The estimates also allow for

only one new Australian produc-tion centre, and no expansion of existing facilities. Demand for WOCA is expected to rise from 31,500 tonnes this year to about 53,000 tonnes in

the year 2000 is between 70,000 and 80,000 tonnes. The Uranium Institute, the London-based thinktank of the uranium industry, said yesterday that it would be producing its own analysis of supply and demand early next year. This will be based in industry rather than government estimates, and will be more detailed than the Redbook.

LADBROKE INDEX 753-758 (+3) Based on FT Index Tel: 01-493 5261

Profits rise at Hampton Areas -payout held

the previous year.

Mr George Livingstone-Learmonth, Hampton Areas'
managing director, said yesterday

that the rise was largely attributable to the higher nickel price.
World nickel prices began to improve at the start of the accounting period.

in the tace of suverse triging conditions.

Income from the Oklahoma oil and gas joint venture was below expectations, while Nesquehoning Coal in Pennsylvania remained in loss.

Hampion Areas since triging

Hampton Areas close un-changed at 205p in London vesterday.

Pesterday.

Dec June Dec June 1983 1983 1983 1983 1983 1983 1982 1392 cents conts cents ce

May & Hassell PLC (Timber Importers and Merchants)

Extracts from the Interim Statement to Shareholders by the Chairman, Mr P. J. Atley Half Year to 30th September 1983

THE PROFIT BEFORE TAX is up from £126,000 to £1,286m. THE INTERIM DIVIDEND is up from 1.3p to 1.6p.

HALLAM GROUP. On 30th September May and Hassell acquired the remaining 50% of the ordinary shares of Hallam. Its status as a 50% owned associate has been reflected in the

GROUP DEVELOPMENT. We have re-etablished a shipping subsidiary, Frampton Shipping Co., which owns the 1,570 ton Emanaich, established ourselves in Leeds as timber merchants and purchased J.S. Towell in Boston, Lines, which has freehold ises adjacent to our o

TRADING CONDITIONS AND OUTLOOK. Over recent years we have tackled our problem and loss making areas. Now, except for Belgium and Hallam, all group companies are trading profitably. The full year should see the half year improvement

FINANCIAL STATISTICS

Half year to 30.9.83 Year to 31.3.83 £°000 34,543 £'000 28,657 £'000 60,642 Turnover 3,064 (2,271) Profit before Interest & Tax 2,354 1,421 (1,601) (1,186) Interest Paid (65) (67) Profit Before Tax

Copies of the full Interim Report are obtainable from the May & Hassell PLC, P.O. Box 156, Bristol BS99 7PH

May & Hassell PLC

Rights Offering

December 1983



THE TORONTO-DOMINION BANK

is offering its shareholders of record on December 5, 1983 the right to subscribe for

16,630,000 Common Shares

on the basis of one additional share for each seven Rights received.

Subscription Price: \$14.625 per share

These Rights expire at the close of business on January 10, 1984.

We recommend that shareholders exercise their Rights.

Our services are available to assist in subscription for shares or for the purchase or sale of Rights.

We are members of the Sponsoring Dealer Croup which will receive compensation in respect of shares subscribed through them. We are also members of an international underwriting syndicate which has agreed to purchase up to 6,837,607 of the Bank's new common shares, which remain unsubscribed at the expiration of this rights offer, for sale outside of Canada and the United States of America.

Burns Fry Limited

Italian group sells 6% stake in Guinness Peat

group headed by Dr Giorgio shareholders after management stake in Guinness Peat, the investment banking group.

The deal was approved by shareholders after management argued that it represented a with recapitalisation of the troubled guinness.

stake in Guinness Peat, the inwestment banking group.

In October, Dr Rossi resigned
from the board of Guinness Peat
for protest at the terms of its
proposed acquisition of the Moorside Investment Trust. Guinness
Peat financed the deal with an
issue of new shares priced at
process of the troubled
from the color of the troubled
with various City institutions by
the color of the troubled
from the color of the troubled
with various City institutions by
the color of the troubled
from the color of the troubled
from the color of the troubled
with various City institutions by
the color of the troubled
from the color of the troubled
from the color of the troubled
with various City institutions by
the color of the co

issue of new shares priced at objected to the sale, is under-40p, which Dr Rossi considered stood to be seeking to dispose of too low. its 10 per cent stake as well.

U.S. Debenture Corporation

THE U.S. Debenture Corporation is proposing to update and amend its memorandum and articles of association and to amend the dividend ratings on its preference and debenture

The memorandum and articles 1 1999.

amendments will be effected The through adoption of a new that the objects clause, which will take at par, account of changes in types of interest interest. investment, management prac-tice and law which have occurred

since the company's incorpora-The directors do not intend that the adoption of the new clause will have any material effect on the nature of the com-

annual dividend rate on the 4 as at January 31 1983.

per cent irredeemable stock b increased to 4.75 per cent with a final repayment date of August 1 1989, and the rate on the 4.5 per cent irredeemable stock be increased to 5.25 per cent with a final repayment date of August

The directors also propose that the 1979-84 stock be repaid at par, together with accrued interest, on January 31 1984, eight months before its final redemption date.

The company's existing articles of association currently limit the amount that it can borrow to 110 per cent of paid up share capital. It is now proposed that effect on the nature of the comeffect on the nature of the company's business.

It is proposed that the present
annual dividend rate of 3.85 per
cent on the preference stock be
increased to 4.6 per cent, the equivalent to approximately £54m

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange. It does not constitute an invitation to the public to subscribe or purchase any securities.

Charterhouse J. Rothschild plc

(Incorporated in England No. 1773177 under the Companies Acts 1948 to 1983)

Authorised £142,000,000

Share Capital Ordinary Shares of 25p each

Issued and to be issued fully paid £94.660,524

the company.

Mr David Burne, a director of Kraft and a holder of 24 per cent of the company's shares following a refunancing and reorganisation this summer, said yesterday that the approach had come "rather out of the blue."

Disclosing only that it had come

Following the merger of The Charterhouse Group plc and RIT and Northern p.l.c. through a new holding company, Charterhouse J. Rothschild plc, the Council of The Stock Exchange has admitted to the Official List the Ordinary Shares and the Warrants to subscribe 20,793,786 Ordinary Shares of Charterhouse In Programming the Programming of the Charterhouse In Charterho Charterhouse J. Rothschild plc. Dealings in these securities commence today.

Particulars of the Company and of the securities are available in the statistical services of Extel Statistical Services Limited and copies may be obtained during normal business hours up to and including 6th January, 1984 from:-

S. G. Warburg & Co. Ltd.,

30 Gresham Street, London EC2P 2EB

Charterhouse Japhel pic, 1 Paternoster Row, St. Pauls, London ÉC4M 7DH

Morgan Grenfell & Co. Limited, 23 Great Winchester Street, London EC2P 2AX

Cazenove & Co., 12 Tokenhouse Yard, London EC2R 7AN

Grieveson, Grant and Co., 59 Gresham Street.

20th December, 1983

DING RATES

Syltone recovers to £0.2m midway

AFTER plunging from pre-tax profits of £32,000 (£30,000). Turnover of this engine and wholesale electrical distinct to September 30 1903, and profits rose from £59,000 to improved from £198,000 (£325,000).

The directors say that although improvement is "relatively small," it does indicate a considerable improvement in trend of the company's profitability. They are optimistic that the drastic and far-reaching steps taken in the U.S., and continued diversification away from the olifield business, will produce profit-

ability during 1984. ability during 1984.

In the United Kingdom, all subsidiaries are profitable and trading at or near budget with the exception of Rotocold which, white running better than budget, is still suffering considerable losses due to present siderable losses due to research and development costs.
Franchises have been obtained to enable the company to offer a refrigeration product range which is expected to lead, in due course, to an improvement in trading results of the referigera-

Suropean trading subsidiaries

have produced a useful pre-tax

t profit of £32,000 (£30,000).

Turnover of this engineering and wholesale electrical distribution group rose from £7.61m to £9.63m, and trading profits improved from £195,000 to £437,000. The pre-tax figure was after interest charges up from £136,000 to £202,000 and associates' losses this time of £10,000. Tax took £204,000 compared with £49,600.

The interim dividend is unchanged at 3.6p net, and the directors say the final is expected to remain at last year's level of 5.4p.

After the trading difficulties and changes in the composition of the group over the last few years, the company still has a strong balance sheet. First half figures include results of company's electrical wholesale distribution company, sold in October. The company, J. Dyson, was sold to R. and W. Hawthorn Lestie and Company for £214,000 cash. A net dividend of £690,000, representing a substantial portion of Dyson's reserves, was paid to Syltone on October 25. Dividend and proceeds of the sale will be used to fund new development of engineering products for Syltone fund new development of engineering products for Syltone manufacturing companies.

■ INTERIM STATEMENT

PARKFIELD FOUNDRIES

appointed directors.

ment Management.

Independent Television Com-panies Association, will join CHANNEL 4 in March in the new

post of head of programme planning.

terbury has been promoted from sales director to director of sales and marketing. He has been with Datasolve since 1976.

Recovery well under way

On a turnover for the half year to 29th October 1983 of £1,510,670 (1982—£1,721,623) the company made a loss before tax of £67,684 (1982 loss—£85,700). No interim

Although a loss is reported for the half-year, a small profit was achieved in the second quarter as a result of an improvement in the order book. This improvement has continued with the third quarter and will be further enhanced by the benefits of the acquisitions of Walker Steel Works and Walker Castings which have now been completed. These acquisitions will enable your company to fulfil one of its long-standing ambitions of controlling its own product from the melting furnace to finished fully machined form.

The Rights Issue reduced the borrowing ratio from 76% to 40%, since when the ratio to 40%, since when the ratio has decreased further. Present indications are that there will be a further significant reduction by the year end.

* Mr G. T. Cantlay, CBE, Chairman, who for some time has been considering relinguishing this position to make way for a younger man, retires as Chairman on 31st way for a younger man, retires as Chairman on 31st December but remains on the Board. Mr. Roger Felber, who joined Parkfield as Deputy Chairman following the Rights Issue in September and since which time has been very active in developing the business of the company and the negotiation of Parkfield's first acquisitions, has been appointed Chairman as from 1st January 1984.

PARKFIELD ROAD, STOCKTON-ON-TEES

New chairman for **Marks and Spencer**

Marks and Spencer is making PICKERSGILL, Sunderland, has Marks and Spencer is making the following board changes after the annual meeting on July 5: Lord Sieff of Brimpton is to relinquish the chairmanship, but will become president as well as continuing as a director.

Lord Rayner will become chairman in addition to his present responsibilities as chief executive.

Mr Michael M. Sacher, vice-chairman, has decided to retire, but decided to take early retirement, and will be succeeded on January 1 by Mr George H. Parker. Mr 1 by Mr George H. Parker. Mr
Parker is divisional managing
director of shiprepair at British
Shipbuilders, and will continue
in this position on a part-time
basis until the end of January.
Mr P. C. M. Thompson, who is
on secondment to British Shipbuilders from the Department of
Trade and Industry, will become
corporation secretary, also from
January 1. He succeeds Mr F. E.
Noah, who will become commercial director of Vickers Shipbuilding and Engineering at
Barrow-in-Furness. mr michael M. Sacher, vice-chairman, has decided to retire, but will remain as a consultant. Mr F. C. Hirst, director, and Mr V. L. Osborne, alternate director, will be retiring during 1954 as they reach their normal retirement age. Mr J. H. M. Samuel, figures director, is to retire after finance director, is to retire after the annual meeting. Mr J. K. Oates will become finance direc-

Mr J. G. Alston has been appointed chairman of BROOKS:
AND DOOLEY (UNDERWRITING) during the period of administrative suspension of Mr T.
Brooks from Lloyd's of London.
Mr Alston will remain a director
of Leslie and Godwin (Holdings)
and Leslie and Godwin (Underwriting). tor at the beginning of April.
Mr Oates is vice-president finance
of Thyssen-Bornemisza NV in
Monaco. Mr J. A. Lusher and
Mr D. G. Trangmar have been Mr Ian Taylor has been appointed managing director of the computing services "bureau" operation of DATASOLVE, part of Thorn EMI information technology divsion. He was manager of the customer service department with ICL. Mr Alan K. Batterland Mr. Batterland Mr.

GRAND METROPOLITAN has appointed Mr John Harvey-Jones. as a non-executive director. He is chairman of Imperial Chemical Industries.

Mr Michael Ginn is stepping down as managing director of BRITISH AIRWAYS HELICOP-TERS by mutual agreement. He will remain a consultant.

Mr Alec R. Beanett becomes group marketing director for all marine companies of LANGHAM INDUSTRIES from January 1. He will be responsible for the worldwide sales of Stone Man-Mr John G. Adams has toined Mr John G. Adams has joined the board of NEIGHBOURHOOD STORES. He is also chairman of Southend Estates Group and deputy chairman of Higgs and Hill, as well as director of Ransome Syms and Jeffreys and director of Associated Paper Industries. ganese Marine propellors. At present he is marine director of APV Hall International.

Mr James Cave is to be appointed a director of THE ENGLISH ASSOCIATION TRUST from January 19. He will be in charge of the investment division and managing director of The English Association Investment Management Mr J. Nigel Naish has been appointed a trustee of the JOSEPH ROWNTREE MEMORIAL TRUST. He takes the place of Lord Seebshm, who has retired. Mr Naish is a partner in Robinson and Morton, York.

Mr J. C. Marvin has been appointed to the board of HICKSON INTERNATIONAL from January

Mr Michael Nevill, Mr Ken Mills and Mr Peter Higgins have been appointed assistant general managers of VANBRUGH LIFE. Mr Neville heads the sales support division, Mr Mills the sales support division and Mr Higgins the administrative division. Mr Robin Adam has been appointed managing director of SCOTTISH WOODLAND OWNERS ASSOCIATION (COMMERCIAL) — one of Scotland; leading private forestry management companies. He succeeds Mr Dennis Crawford. Ms Gillian Braithwalte-Exley, currently head of the programme planning secretariat with the

Mr Ian Howe, deputy chairman and chief executive of KWIK SAVE DISCOUNT GROUP, has been appointed chairman. He will succeed Mr Ian Hill after the annual meeting on January 6. Mr. Hill will continue as a non-executive chrector in the capacity of deputy chair. HB ELECTRONIC COMPONENTS has appointed Mr
Lawrence Gordon Hazzard as
non-executive chairman in
succession to Mr John Wardle,
who is retiring Mr Hazzard is in the capacity of deputy chair

managing director of the Grosvenor Group and chairman of Henry Wigfall & Sons.

**Mr Desmond Quigley has joined the board of STREETS FINANCIAL Mr Jonathan Baker and Mr Toby Mountford have been appointed associate directors.

HOW THE BIOTECHNOLIGISTS WOOED AND WON THE DONS

Celltech leaves safe anchorage

By DAVID FISHLOCK

CAN A manufacturing company CAN A manufacturing company hope to harness science of Nobel-prizewinning calibre successfully to its business plan? One UK company believes that it has. It has just agreed a new five-year pact with British academics to continue what promises to be a highly profitable partnership. Celltech, a biotechnology

company set up only three years ago, believes it has demonstrated a unique mechanism for efficient technology transfer from academe to industry. Its claim is supported by Sir James Gowans, the Oxford medical scientist, who manages the f100m-a-year Medical Research Council, supporting university research in medical sciences. Celltech has explored the possibilities of at least 10 research centres of the MRC, and is currently developing ideas from six. But Sir James stresses that the partnership is not one-sided. From the start

his scientists have shared the initiative in seeking ideas worth exploiting.

For Sir James, a pointer to the success is the reaction of other, bigger British companies, which had shown scant interest

in his research programme until he gave Celltech exclusive rights to its research in genetic engineering. They complained vociferously. But some com-panies stayed around to inquire what else might be worth exploiting.

The exclusivity enjoyed by Celltech for its first three years both protected the embryonic

venture and provided a spur to perform quickly, as the agree-ment was to be renegotiated this year. Celltech has found it is operating in a highly competitive market, with around 200 other biotechnology start-ups, as

well as big business.
But the MRC also wants to see its discoveries used, and used quickly. The suspicion still lingers in the Thatcher Government that its scientists were so indifferent to exploitation that they gave a money-spinning British invention in genetic

British invention in genetic engineering away to the U.S. That suspicion is worrying in times of tightening budgets. The invention was the Cambridge discovery in 1975 of monocional antibodies and how to make them. "No one has made any money yet," Sir James has tried to reassure the government. The first medical proment. The first medical products based on this discovery are just beginning to reach the



Gerard Fairtlough (left), and Sir James Gowans.

The working bond is so strong . . . that the exclusivity which was designed to protect Celltech in its early years is no longer needed": John Jackson, Celltech chairman.

market, and the Celkech-MRC ing is one example. partnership has ensured that Second, any general areas of Britain has its share. Royalties research to which Celltech has have begun to trickle back to given support—the anti-inter-

have begun to trickle back to the MRC. the MRC.

The invention was made in the Laboratory of Molecular Biology in Cambridge, third-largest of the MRC's institutes, spending about £4.5m a year, predominantly in genetic engineering. Ceilitech's scientists in Slough meeet every two months with Dr Sydney Brenner, the director, and his scientists. Dr Brenner is also a histochrology consultant at the state of the chance to exploit work in genetic engineering in

self is on the Celltech board. As Gerard Fairtlough, Celltech's chief executive sees it, the partnership has established three guiding principles for col-laboration, written into the agreement for the next five

• First, for ideas already adopted or MRC research now being funded by Celltech the company retains full rights to exploitation. This applies to about 15 specific potential pro-

ferons is an example—the MRC is under obligation to offer the company. The company under-takes to give its answer within three months. This applies to about ten areas of research, Fairtlough says.

a biotechnology consultant to which the company has shown Rothschilds, whose trust Biotechnology investments holds portant change from the first portant change from the first agreement. It puts the onus on technology Investments notes 11.4 per cent of Celltech's agreement. It puts the units the convince the shares. Sir James Gowans himthe company to convince the MRC that it remains in its best many to convince the company to convince the shares. interest to offer Celltech the idea rather than any other com-

The first medical products from the Cambridge discovery will be for diagnosis, to assay disease and other human condi-tions. Such products do not need the protracted clinical testing necessary for drugs which must be taken regularly.

brought two of his senior staff. Dr Hunter, one of the world's immuno-biologists says he already saw himself as an entrepreneur, sought out by British doctors to help keep Britain in the vanguard of new diagnostic techniques. "An ex-tremely practical academic" is

how his boss sees him. Dr Hunter is research director of Boots-Celltech Diagnosties, a joint venture set up recently alongside the Celltech laboratories in Slough, to specialise in the application of monoclonal antibodies to novel diagnostic products. Its first pro-duct, a new assay that can find congenital defects such as spins bifida in unborn babies, was in-vented by Dr Hunter's team in

The same assay, for alpha feto protein (AFP) gives early warning of liver cancer, a condition which secretes large amounts of AFP. Such tests can take as little as three hours. According to David Gration, a former Wyeth executive, now chief executive of Boots-Celltech, the AFP assay is just the first of a series he confidently expects to revolutionise health-care laboratory practice.

the track as anybody." Boots, eager to break into a burgeoning new market, pro-vides the joint venture with a ready-made distribution net-

In assays for infectious disease:

we are certainly as far down

Mr Gration also enthuses over Mr Gration also enthuses over two other exciting ideas from Dr Hunter. One is an "abso-lutely unique" fertility test which tells precisely when a woman is ovulating, which he sees as a breakthrough in birth-control technology. The other control technology. The other is an on-the-farm test for ferti-lity in cows.

Aiready, claims Gration, the MRC has introduced Celltech to a wealth of prospective new diagnostic products — "more than enough to set up a busi-ness." Dr Hunter has harnessed his own informal network of science advisers throughout the MRC, and more widely.

David Gration, new to managing scientists, says he has been made sharply aware that if Boots-Celltech does not move fast enough it will not be able exploitation. This applies to about 15 specific potential products which started life in MRC laboratories, Fairtlough says. A suite of monoclonal antibodies useful in blood typ-

Rabobank. The right partner for business with the Netherlands.

the Netherlands and the United Kingdom continues to grow. Rabobank has therefore opened a representative office in London. It is here to assist British companies maintaining trade relations with the Netherlands. It is here to help you with information about trade opportunities and suitable business locations in the Netherlands.

The Rabobank London office also helps in obtaining finance, raising loans in Dutch currency and in acting as an intermediary in financing subsidiaries based in the Netherlands.

For Rabobank knows its country inside out.

One third of all Dutch companies do business with Rabobank. Some 3,100 offices offer on-the spot service in the Netherlands. And since the Netherlands

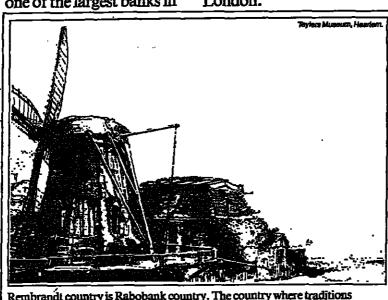
Member of Unico Banking Group.

Bilateral trade between is one of the world's most important trading countries. Rabobank offers you international financial expertise as well.

With total assets exceeding 110 billion Dutch guilders, Rabobank is not only one of the largest banks in

the Netherlands, it also ranks among the 50 largest banks in the world.

Do if you are looking for the right partner in international business financing, please contact our representative office in London.



Rembrandt country is Rabobank country. The country where traditions of excellence continue to flourish.

London Representative Office, Princes House, 95 Gresham Street, London EC2V 7NA. Tel. 01-606 6361. Telex 892950.

Rabobank 🖼

Rembrandt country is Rabobank country.

Rabobank Nederland, International Division, Catharijnesingel 30, 3511 GB Utrecht, the Netherlands. Telex 40200. Representative office New York, U.S.A. Telex 424337. Representative office Frankfurt/Main, F.R.G. Telex 413873. Subsidiary Curação, Curação N.A. Telex 3422.

New streak of confidence

AS EVERY good marketing manager knows, the principles of successful marketing can be enshrined in a few immutable laws of business. These are to make a reasonably-priced product that the customer wants, to create awareness of the pro-

to create awareness of the product, and to make obtaining the product easy.

Surprisingly, one major industry which has a tradition rooted in salesmanship has been less than consistent in applying those principles. The cinema busi
The cinema busi
to such as making it easy supply of at least adequate films and there is "significant scope to increase traffic through advertising."

People are made aware of films by friends or family, TV reviews, has integrated its cinema, film, lelevision and video activity. maising has been less than consistent in applying those principles. The cinema business has failed miserably in its attempt to reverse the decline of is fortunes over the last 20 years in Britain.

In 1982, Britain contained fewer than 1,000 cinemas, com-pared with some 1,500 in 1971. One in four people in Britain live at least 20 miles from their nearest cinema.

The good news, however, is that for every three or four people who are aware of a film, one will see it. Any marketing manager of average brightness, confront ed with such evidence, might well say "funny—I'm missing out somewhere." That immutable law of marketing product awareness—seems to have been overlooked. Indeed, many critics of

Britan's cinema industry would ago.

Britan's cinema industry would ago.

Claim—in their more charitable From this emerges two obmoments—that some of the vious, but easily neglected, prinother laws have been brushed ciples: "You need an adequate"

Video & Film

By JOHN CHITTOCK

films by friends or family. TV advertisements, TV reviews, local newspaper advertisements and cinema hoardings. television and video activity into one new division.

Concentrating on the cinema side of its business, Thorn EMI has analysed its problems over marketing. PA Management Consultants looked at why people go to the cinema. Saatchi and Saatchi analysed how they can be made to so how they can be made to go

more often.
What emerges is extraordinary not so much for its revelations, but for the inference that these are revelations.

The main finding is that if more people can be made aware of specific films, cinema attendances will increase. The research concludes that

people go to see specific films. They do not just "go to the cinema" as they did 30 years

ments in the national Press every Friday to show when and where films can be seen. Archaic practices of the industry will be scrapped. These

include the booking of strong competing films at different cinemas during the best months. Thorn EMI cinemas will also operate on fixed programming times. And the company will guarantee film screening periods of up to four weeks at main cinemas. This will allow distributors a decent opportunity to promote their wares.

Thorn EMI is all set to follow

up the lessons of the research. It will run full-page advertise-

Space

Decisions ahead for ESA

The European Space Agency will decide next year whether to join the U.S. in its space station venture, according to M Michel Bignier, the agency's director of space transporta-

tion systems. M Bignier said the European organisation would be keen to provide hardware for the ven-ture. "But you would need a crystal ball to say what is going to happen because we still do not know what the Americans are planning."

M Bignler said he was extremely pleased with the results from the first Spacelab mission which ended last week. Of the 71 scientific experiments on the vehicle, only one failed. The experiments included projects in remote sensing and astronomy and work to deter-mine ways of mixing metals to make new alloys.

The space agency will decide over the next few months on whether to fund more Spacelab flights. On future missions, ESA will have to pay the American much tinkering with management methods and policies will have to pay the American government the commercial rate also streamline the package. It all adds up to a convincing streak of confidence for a battered industry.

streak of confidence for a battered industry.

Telephony

Logging the calls

CALLOG, THE London tele-phone call logging equipment and service company, now offers a standard report which includes a summary of long distance and international calls for each extension line of a PABX.

Since it started operating in August 1981 the company claims it has acquired the lion's share of the market. In the Callog system, users

buy or lease relatively cheap monitoring equipment in which the data is recorded on a tape cassette holding, on average, data relating to 4,000 calls. This is analysed at three NCR centres on big main-frame computers and comprehensive reports are returned

The equipment costs from £1,600 and the annual service

charge for providing the reports is £360. These figures alone may account for the success of the company since most other systems on offer carry out analysis within the monitoring equipment and print the reports on the user's premises—they are usually more expensive as a

Callog's reports can be extensive and detailed says the company, because the analysis takes place on powerful computers. In addition, basic analysis data such as call rates and the correlation of town to distling code is kept fully updated and accurate. More on 01-730 9856.

Retailing

A NEW company, Microsell, funded by British Technology Group and an investment syndicate, has launched a modular retail system which the company says "can be customised to meet each trading environ-

Apart from the customary keyboard, displays and cash drawer, each terminal on the Model 8000 supports a light pen for har code reading and an integral magnetic stripe reader for credit cards—with an associated built-in auto-dialier to allow card authorisation.

There is also an integral 18 or 40 column printer and a choice of displays ranging from two single lines (one for assistant and one visible to customer), to five or seven inch display screens. Microsell 8000 can be used as a stand-alone till, in which

case a controller and data storage are built into it, or several can work together. looped into a controller. In the multi-terminal case the storage, which can be the most cost effective combination of semiconductor, Winchester dise or floppy disc, is con-nected to the controller.

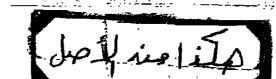
For larger systems, several terminals can be connected via a communications pro-

the whole system to a company's mainframe. More on 092576 5933.

Smuggling

BRITISH AEROSPACE is sellsystem to detect smuggled goods. Lorries laden with cargo drive into a bay where the complete vehicle is X-rayed. Contraband shows up on TV screens in an operators' room.





London jobbers move to widen margin on oil shares, Page 22

WALL STREET:

A dampener felt in Fed deliberations

A CAUTIOUS attempt at an end-of-year rally was made on Wall Street yester-day, when leading stocks edged higher with the help of slight falls in rates in the bond market, writes Terry Byland in New York.

However, turnover was light and both sectors of the market remained prey to nervousness over the likely outcome of today's meeting of the Open Market Committee of the Federal Reserve

The Dow Jones industrial average was up 2.44 to 1,244.61 at the close. Some bond market participants be-lieve the Fed may decide to tighten credit policies now, rather than wait until

next year when the presidential election

campaign will be in full swing.

It is thought that the Fed will find it more difficult to draw in the monetary reins after Congress has returned from the Christmas break, and the political organisations are bracing themselves for the opening of the presidential primary campaigns. President Ronald Reagan is expected to announce his election

decision early in the new year. The stock market was slow to make a start yesterday, but prices began to move up at mid-morning as bonds re-couped the minor falls chalked up late on Friday after the confirmation of a \$5.5bn gain in M1 money supply last

Transport stocks looked a shade bet-

1.014

Standard & Poors 500

1980

KEY MARKET MONITORS

ter but utility issues, battered by the fear of higher interest rates ahead and by continued problems over nuclear power reactors at Long Island Lighting and other utility power stations, re-

mained uneasy. The onset of the Christmas season cut down the flow of corporate reports. An early feature was the cancellation of the proposed purchase of Tymshare by McDonnell Douglas. Both stocks made a delayed start to trading, and Tymshare faced heavy selling orders when they re-turned to the trading floor, to lose 54% to \$20%. McDonnell returned at \$58, a shade firmer, in line with the rest of the heavy industrial leaders.

Greyhound added \$\% to \$25\% as the outcome of the vote by its striking workforce was awaited. Greyhound also announced completion of the sale of the Armour meat products business, which resulted from the company's resistance to the industrial dispute.

With the vesting date for the new stocks now only three weeks away, the AT&T stocks continued to head the active list. The old stock, at \$63%, eased \$%, while the new stock was unchanged at \$18% on slightly less business.

IBM gave a strong lead, gaining \$1% to \$122, but turnover was relatively light for the market's beliwether stock. Gen-eral Electric added \$\% to \$58, Eastman Kodak \$\% at \$74\% and Honeywell \$\% to

American Express, \$4 higher at \$31, extended its recovery from last week's shakeout

The credit market braced itself for the heavy weight of Treasury funding now due over the holiday period. Dealers believe that the problem of absorbing the Treasury's needs will be magnified by an unwillingness of major funds and investors to reopen inventories now closed until the new year.

The market must face \$29.3bn in Treasury funding this week, and then a fur-

T-Industrial Ordinary Index (30-Share)

Dec

1983

1982

1350

1300

780

760

740

720

700

ther \$15bn or so next week. Fortunately, borrowing calendars in both the corporate and municipal bond sectors are now light until the end of the year, but there is still a certain amount of disquiet over the size of Treasury demands,

The chief test will come next week when the authorities seek to sell four and seven-year notes and 20-year bonds. With investors hurrying towards the short end of the market, these longerdated issues will be difficult to place.

But the view of the Treasury is that the credit market has been given enough time - since October - to overcome the difficulties.

The Treasury gave further help to the short end of the market yesterday in the form of 52bn in customer repurchases when the Federal funds rate stood at 91% per cent.

Treasury bill rates opened a shade higher at 9.11 per cent for the three-month and 9.24 per cent for six-month bills. Later the three-month bills later the three-month bill sipped back to a discount of 9.04 per cent, 5 back to a discount of 9.04 per cent, 6 back to a discount of 9.04 per cent, 6 back to a discount of 9.04 per cent, 6 back to a discount of 9.04 per cent, 6 back to a discount of 9.04 per cent, 6 back to a discount of 9.04 per cent, 6 back to a discount of 9.04 per cent, 6 back to a discount of 9.04 per ce sis points down on Friday, but the sixmonth bill, at 9.27 per cent discount, remained 5 basis points up.

The key long bond at 100 % was % up and yielding 11.98 per cent.

LONDON

New York talk adds to festivities

THE RUN-UP to the Christmas holiday began for London equity markets in quietly festive mood yesterday. Most blue chip industrials found genuine investment demand lacking, but this failed to stop the FT Industrial Ordinary share index attaining an all-time peak, up 2.8 at 762.1.

Bowater provided the base for the assault, closing 10p better at 253p, after 256p, on buying fuelled by a suggestion that the group is to receive a U.S. re-rating and could be high on American investors' new year lists for the ADR facil-

Elsewhere, Britannic Assurance's agreed offer for Midland Trust prompted a jump of 65p in MT to 200p, while talk of a U.S. predator entering the battle for Eagle Star lifted that insurer 80 to 728p. Gilts

took heart from sterling a gained ground in thin trading. Longerdated stocks recorded gains ranging to %, but shorter maturities were only around % dearer. Details, Page 23; Share information

service, Pages 24—25.

SINGAPORE

WITH NO NEW factors to sustain trading, volume fell in Singapore and the Straits Times industrial index eased 0.98 The recently listed Chuan Hup Ma-

rine was the most active stock and it closed I cent ahead at S\$2.69. United Industrial Corporation, which

resumed trading after being under suspension since November 22, was also actively traded and finished 9 cents firmer at S\$1.52. The company announced the sale of its wholly owned investment subsidiary, resulting in an extraordinary profit of S\$19m for the group.

Elsewhere, industrials and finances were mostly lower but hotels and properties were little changed.

HONG KONG

A SLIGHTLY easier mood emerged in very quiet Hong Kong trading and the Hang Seng index slipped 3.52 to 857.25. Among leaders, China Light fell 10 cents to HK\$11.60, Hongkong Land 2 cents to HK\$2.85 and Jardine Matheson 30 cents to HK\$11. Swire Pacific "A" was down 10 cents to HK\$14.20 and Whee-lock Marden "A" 2 cents to HK\$2.90.

AUSTRALIA

THE SHARP FALL in the bullion price and an easier market for base metals left the mining sector easier in Sydney. However, the industrial sector re-mained bullist and the All Ordinaries index ended 0.4 lower on the day at 755.7 in moderate turnover.

Market speculation about takeovers in the oils sector saw Santos - one of the rumoured bidders - 18 cents ahead at A\$7.78, while Claremont was also well supported, adding 8 cents to A\$2.03.

SOUTH AFRICA

LATE INTERVENTIONS from abroad to cover short positions assisted Johannesburg gold shares in maintaining a fairly unruffled reaction to a weekend bullion price retreat.

Randfontein shed R1 to R164 after R163, but Kloof held at R55. Anglo-American dipped 50 cents to R19.20.

CANADA

\$375.125

\$375.00

\$375.25

\$377.49

\$376,45

\$373.0

\$373.875

\$377.25

S374.50

S379.93

\$381.75

DIFFICULTY was encountered in establishing any clear trend in Toronto, with weakness evident among the oil and property sectors. Turnover was lively, however, and many morning losses were later recouped.

Utilities had a good Montreal showing, while both industrials and banks ap-

Poll result punctures enthusiasm

THE RULING Liberal Democratic Party (LDP) setback in Sunday's general election sent Tokyo stock prices plummeting yesterday from Saturday's all-time peak. Losses were seen across the board in the morning session, with blue-chip and speculative issues leading the decline before a large number of stocks recouped much of the lost ground in the afternoon, writes Shigeo Nishiwaki of Jiji

The Nikkei-Dow average, which fell 187.16 points in the morning, made a gradual recovery in the afternoon to fin-ish the day off 81.47 points at 9,484.17. Volume totalled 251.19m shares, compared with 430.66m on Friday's full-day session. The selling, although hurried was unexpectedly light.

The stock market had resumed its advance last Wednesday on widespread expectations of an easy victory by the LDP in the election. The Nikkei-Dow reached an all-time high of 9,565.64 on Saturday after a four-day gain of more

than 180 points.

The unexpected heavy loss of LDP seats in the Lower House sent stock prices into a tailspin in the morning on small-lot sales and dealers' sacrifice sell-

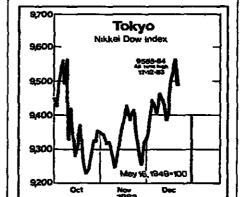
ing.

The afternoon rally came on dealers' renewed buying and investor repurchases. This was based in turn on prospects that the ruling party could scrape together a majority by allowing some independent electoral victors to join the party on top of the 250 seats it won, even though it failed to obtain the simple majority of 256 seats in the 511-seat Lower

Prominent among the losers were Prominent among the losers were blue-chip issues. Fuji Photo Film lost Y70 (down Y90 at one stage) to Y2,010, NEC Y30 (Y80) to Y1,420, Matsushita Electric Industrial Y50 (Y70) to Y1,870, TDK Y20 (Y300) to Y5,350, and Toyota Motor Y30 (Y70) to Y1,440. Sony, which plunged Y140 at one time, rebounded sharply to Y3,480, up Y30 from Saturday's close day's close.

Speculative issues suffered small-lot selling across the board. But JEOL advanced Y61 to Y879 on foreign buying. Central Glass also climbed Y11 to Y321, and robot-related issues gained strength, with Nachi-Fujikoshi rising Y4 to Y541 and Yaskawa Electric Y5 to Y600.

On the bond market, the defeats for the LDP and the yen's slide against the U.S. dollar forced investors to the sidelines. The yield on the benchmark 7.5 per cent long-term government bonds, maturing in January 1993, consequently rose somewhat to 7,465 per cent from Saturday's 7.445 per cent.



EUROPE

Frankfurt answers buyers' call

A SLOWING in the dollar's rise, with confidence drawn from Wall Street's slightly firmer close on Friday, gave encouragement to investors in most European centres.

Some bargain hunting after last week's declines helped Frankfurt ahead, and the Commerzbank index recorded a 10.4 rise to 1,018.3.

Siemens was in demand, touching DM 380 before settling to close up DM 5.40 at DM 379.40. SEL, which with Siemens is expected to benefit from the digitalisation of West German telephone exchanges, gained DM 7.50 to DM 324.50.
Banks made gains, with Deutsche DM

3.10 higher at DM 318.80, Dresdner adding DM 2.10 at DM 165.90 and Commerzbank DM 2.50 ahead at DM 164. Insurer Allianz rose DM 15 to DM 509 as investors awaited the next move in its contested takeover bid for Eagle Star of

Foreign buyers returned to the chemi-cals sector, taking Hoechst up to DM 177 before it eased to close DM 1.50 ahead on the day at DM 176.20. BASF rose 60 pig to DM 166.70, Bayer 30 pig to DM 166.80 and Schering DM 3.50 to DM 358.

Bonds continued the steadier tone which began on Friday. Banks were active buyers of short-dated issues, al-though volume was restricted with investors holding back ahead of the year

The Bundesbank sold DM 20m of paper to balance the market after DM 16.7m of purchases last Friday.

A mainly quiet, but firmer. Amsterdam was dominated by the weekend announcement that Philips and a consortium of European banks plan to take over Grundig of West Germany next

Philips rose 90 cents to FI 43.30, but other internationals were mixed. Banks and insurers gained, while among publishers, Elsevier firmed Fl 8 to Fl 479. Oce-Van der Grinten added Fl 2.50 to Fl 232 after a Fl 234 opening.

State loans were unchanged to slightly higher.

The compromise agreement between the French Government and the Peugeot motor group over the future of its Poissey plant gave some encouragement to investors in Paris.

Shares ended mixed to firmer, although Peugeot dipped FFr 2.50 to FFr

In a steady Zurich, chocolate maker Lindt, which added SwFr 100 to SwFr 10,000, was at its highest level for several years.

Continued on Page 22

ARGENTINA

A WEEKEND announcement that a further tax on Argentine shareholdings is being planned prompted swift mark-downs of some 35 to 40 per cent in Buenos Aires stocks, as the exchange opened to an angry response from private investors.

At one stage trading, disrupted by members of the public, was suspended for almost half an hour. Many of the panic sellers were said to have undeclared assets in the market.

The Ebic banks bring strength and experience to your financial operations

Over the past 20 years, the Ebic banks have been co-operating with each other in order to offer services which are both innovative and dynamic to their national and international customers. Their expertise has benefited small, as well as large businesses, importers, exporters, international organisations, states and, indeed,

Through their interbank co-operation, their international networks and their common investments, the Ebic banks can assist in a variety of financial operations. These include business loans, export financing, euroloans, foreign exchange risk coverage, eurocurrency issues, project financing, mergers and acquisi-

tions and many others.

governments.

Specially created by the Ebic banks are a number of common investments in which either all or the majority of the member banks have important holdings. In Europe, for instance, there's **European Banking Company SA** Brussels and European Banking Company Limited in London which together, as the European Banking Group, wholly-owned by the seven

Amsterdam-Rotterdam Bank











Société Générale de Banque



Ebic banks, offer specialised services throughout the world.

In the States, there's European American Bancorp (EAB) with subsidiaries in New York and their affiliates and branches in Bermuda, Cayman Islands, Chicago, Los Angeles and Nassau (Bahamas).

Then there's European Asian Bank (Eurasbank). Headquartered in Hamburg, it has branches in Bangkok, Bombay, Colombo, Hong Kong, Jakarta, Karachi, Kuala Lumpur, Lahore, Macau, Manila, Seoul, Singapore and Taipei.

Ebic banks also have important participations in European Arab Bank in Brussels, Cairo, Frankfurt, London and Manama (Bahrain), and in Euro-Pacific Finance Corporation in Brisbane. Melbourne and Sydney.

If you'd like to take advantage of our financial strength and experience, and would appreciate further details, then just send your business card, marked "Information on Ebic," to the Ebic Secretariat, 100 Boulevard du Souverain, B-1170 Brussels.



Europe's most experienced banking group

S&P Composite 162.39 137,49 LONDON 759.30 591.2 FT Ind Ord 462,48 379.69 FT-A All-share 463.52 494.59 FT-A 500 419.50 457.17. 456.06 392.91 508.4 FT Gold mines 55**8.2** 558.00 82.34 78.85 82.64 FT Govt secs TOKYO 9484.17 9530.61 Niikkei-Dow 705.32 579.55 Takya SE AUSTRALIA All Ord. Metals & Mins 544.90 549.20 394.60 AUSTRIA Credit Aktien 55.39 54.82 48.89 BELOIUN 134.48 133.87 99.00 Belgian SE CANADA 2503.6 2606.70 1857.60 Composit **Montres** Industrisk 438.72" 440.38 423.34 311.06 Combined Copenhagen SE · 200.58 199.26 93.75 FRANCE CAC Gen 159.50 159.10 119.40 Ind. Tendance WEST GERMANY 340.91 1007.90 248.40 FAZ-Aktien 743.80 1018.30 Commerzbank HONG KONG 757.73 857.25 850.77 Hang Seng 167.32 186.43 187.88 Banca Comm NETHERLANDS 147.10 ANP-CBS Gen 121.50 81.10 ANP-CBS Ind **IORWAY** 212.19 212.19 Oslo SE 742.72 963,49 982.51 SOUTH AFRICA 849.90 927.00 886.60 Golds Industrials 936.60 725.60 SPARE 97.37 closed 119.48 Madrid SE 1448.84 1475.44 858.15 J&P SHOTZE PLAND London Swiss Bank Ind 371,90 281.20 371.60 Frankfurt Yr ago 178.60 148.70 Capital Int'l 179.0 Luxembourg (fixing) Corporate bond indications in New York New York (Dec) were unavailable at source

STOCK HARKET MOICES U.S. DOLLAR STERLING Year ago DJ Industrials 1.244.61 1242.17 1011.50 Dec 19 Previous Dec 19 Previous 1.4185 1.4140 DJ Transport 590.90 590.15 444.32 2.7780 3.9350 3.93 27730 130.54 117.29 **OJ Utilities** 131.02 162.73* 333.50 236.15 235.70 335.25 Yen B.4555 8.4775 11.9950 11.9850 3.1350 2.2120 2.2150 3.14 4.41 3.1145 3.1170 4.42 Guild 1682.50 2385.00 2378.50 1681,75 Lira 56.56 80.05 80.00 1.7730 1.7685 C\$ 1.25025 1.2505 INTEREST RAYES Prev (offered rate) 9% 9% 4% 417/18 6%s 6%s DH 14 13% FFr 10% 10%s 3-month U.S.\$ 6-month U.S.\$ 101% 917/4 9% U.S.3-month CDs 10.05 9.09* U.S BONDS Yleid Yield Price Price 10.82 99152 1985 1990 10% 9911/2 10.80 11.80 9717hz 12.03 11% 11.75 1993 2013 10017/at 11.93 1001% 11.94 FINANCIAL FUTURES CHICAGO Latest High U.S. Treasury Bonds (CBT) 8% 32nds of 100% 70-05 70-10 U.S. Tressury Bills (IMM) 90,99 91.02 90.97 90.99 \$1m points of 100% 90.13 90.12 90.10 90.12 LONDON \$1m points of 100% 89.52 89.55 89.48 89.47 £50,000 32nds of 100% 108-30 109-03 108-25 108-14 COMMODITIES Prev 624.40p 609,10p Silver (spot fixing) £969.50 €958.00 Copper (cash) 22078.00 £2124.00 Coffee (Jan) Oil (spot Arabian light) S28,12 \$28.18 GOLD (per ounce)

AAR ACACA AMERICA AMER

| Description |

Amero Amero

12 Mems help Low 品图 在不是在中国国家的基础系统的工作的证明,可以是是一种的工作,可以是一种一种工作,可以是一种工作,可以是一种工作,可以是一种工作,可以是一种工作,可以是一种工作,可以是一种工作,可以是一种工作,可以是一种工作,可以是一种工作,可以可以 THE STEET OF STANDERS OF STAND 100 9 经经济有关的股份的股份的股份的股份的股份的股份的股份的 1708 14 2000 17 2343 1 2350 2 2700 2000 2000 12 52 6 304 0 12 precision 12 print 12 to print 12 to print 13 to print 14 print 14 print 14 print 15 pri Greeks Gr 14'1 14'1 16'1 16'1 16'1 16'1 19' CONTROL OF BMC cooking to the control of the co 想出来到我也就只要就是他的人的话,那只是有对我们的我们的我们的我们的我们的我们的我们的我们的,也是我们的,我也是我们的,我们也是我们的,我们也是我们的我们的,我们 1966年,我们是我们的,我们是我们的,我们是我们的我们的我们的我们的我们的我们的,我们们的我们的,我们也是我们的,我们也是我们的,我们也是我们的,我们也是我们 2008年 - 1000年 - 1000 机用光光,并不过多可能的不断对象。数据技术上面自己中国的代表的通信人,通信技术的主要的中国中国专用表面的图象的现在分词 情知我们在公司中还可谓可以有的教育的教育的教育。在15个个可能也就想到了。 "我们们我们与国际是也有的的表情的的思想的影响的感觉的 LYMO
LEE
LLCO
LTV
LOWER
LANGE
LANGE 外的时间,他们就是100mm,不是不是有多数,是一个不是一个的时间,也是这种时间的一个的,他们也是一个的时间,也是一个时间,他们们也是一个的时间,这个时间,这个时间, 然下,我是就说这是这么可以可以不是我的一种是我们的我就是我们的最后的我们是我们的感觉的什么。 "我们也我就是我们是这个一个,我们就是我们的,我们就是我们的,我们是我们的我们是我们的感觉的什么,我们也是我们的我们就是我们是我们的,我们是我们们是我们们是我 ្នាក់នៃប្រចាំមេម៉ែលនេះមេនាក់របស់ក្រោមនៃក្រុមនេះមានប្រសាសន៍មានសម្រេចនេះមានក្រុមនេះមានសមានសមានសមានសមានសមានសមានសម ryMRT
ryMRT
right
rearry
rearr 然我那个还还将作品的我们感觉2012年10月11时,这些是我们是否是我的人的话的对象的人的人,我们是我们的人的人的,我们是我们的人的人的人的人的人们的人们的人们 我是有我们的现在分词的是不够是有不够的的,我们也不是不是一个,我们也是一个,我们也是我们的,我们也是我们的,我们也是不是一个,我们也是我们的,我们也会会会的,我们 1995年,我们也是我们的,我们就是我们的一个,我们也是我们的,我们也是我们的,我们也是我们的,我们也是我们的,我们也是我们的,我们也是我们的,我们也是我们的 我就好好也只有你们想D。 心脏的时候所有我们的时间就看到自己的时候就是我们的话,我们也是我们的最后。我看我们是我们也是我们的人,可是我们是我们的人们的人们的人们 作的《新日本新日本新日本的作品的的新年的日本新闻的《新闻》的《新古典》的《新古典》的《新古典》的《新古典》的《新古典》的《新古典》的《新古典》的《新古典》的《 THE WATER WITH THE WATER WATER THE STREET WATER TO SHEET THE STREET WATER TO SHEET THE STREET THE S 42 10 301
16 16 60
21 22 60
22 74 60
23 12 20
24 70 70
24 70 70
25 17 70
25 19 20
25 19 40
25 19 20
25 19 40
25 19 20
25 19 40
25 19 20
25 19 40
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 19 20
25 F.-F. 10 261
17 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 35 10 27 182 37 182 化光线化过程 电记录记录 计多数记录 经过工程 经现代的 医克勒特氏 医克勒氏试验检试验检检检检验检验检验 ८ अति । यस्ति या के त्रश्चेत्र अस्ति का अस्ति के त्रिकेट के त्रिक 化等级性过去 电电影计算计划 医动物 医阴茎 经不得的 医克勒特氏 医阿拉克斯氏性 医克勒特氏试验检 -1 では、後の後に関係を発生しているながないのです。 中の では あがに 母子は あずべき でんかり 母門不信於於於於西班牙中於明明的 「如 CBIA CES CCX CCX CCBNA CCG CLC CNAFE 30% 65½ 10% 9 44 29 9% 21% pristo 17. 151
pristo 17. 151
pristo 16. 151
pristo 16. 27
pristo 17. 33
pristo 17. 33
pristo 142 150
pristo 19. 250
pristo 19. 350
pristo 19 1. 野水母大块大鸡或猪鱼或猪鱼或猪鱼或鱼或猪鱼或 5.5.5. 克勒斯克克拉士或斯利斯及农里的河域或斯里或斯士马来里或斯斯克拉里名中氏 Corp. Control 成化是否然口名 计通信记录 不够好自然因为 一名作为历史教教 名斯曼斯拉曼斯曼斯曼斯曼斯曼斯曼斯斯拉曼斯里斯斯斯曼斯拉斯斯克斯斯 新新作品的代表2.28代新作品的1.18.28代表的1.18.28代数的1.18.28代数的1.18.28代数的1.18.28代数的1.18.28代数的1.18.28代数 FILTPIGE
FIL indial in **ૻૺઌ૽૽૽ઌૡ૽ૺ૽ૼૹ૽ૡ૽ૺૹ૽ૡ૽૽ૹ૽ઌ૱ૡ૽૽૽ૼૡ૽૽ઌ૽૽ઌ૽૽ઌ૽૽ઌ૽૽ઌ૽૽ઌ૽૽ઌ૽૽ઌ૽ઌ૽ઌ૽** Hamid Martin S. Martin Hamid Martin Hamid Martin S. Martin Hamid Martin S. Martin Hamid Martin H | 250 | 251 | 252 | 253 | 253 | 253 | 253 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 5 有用最后的特殊不断不断不可以感觉之后或与感情的感觉不通过的自己不断的感情,但是不可能是一个有一种,这种感情的,是一个可以可以可以不可以不可能,可能是是一种, 19 有用最后的特殊不断不断不可以感觉之后或与感情的感觉的自己不断的感情,但是不可能是一个一种,可能是一种,可能是一种,可能是一种,可能是一种,可能是一种,可能是 的是我的感染,不是我们也不是我们也不是我们的,我们也是我们的,我们也是我们的,我们是我们的,我们是我们的,我们也是我们不是我们的,我们就是我们的,我们们也可以是这种的,我们也会会会的一个,我们就是我们的,我们也会会会会的一个,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的, DMG
Demoir
Demoi 4 化燃化物的水流线线的玻璃板的小形式具有自由化物设置的设置的设置的形式设置的影片的现在分词形式的影片的形式的影响的 ย์ผีร่อที่ที่ก็จักสัตร์แต่ตีลีวิจีก็สักกพื้นที่ยี ผีจักที่สีสีติดีย์แก็ดย 44以代码的通过196日的第一代数据代码的图像图像是11代码和共享的设备对方的设计 Market Makers in Euro-Securities

Kidder, Peabody Securities

An affiliate of

New York • London • Paris • Geneva • Zurich • Hong Kong • Tokyo

KOT KLIM KOT KLIM KATEN KINEN 他们不然他们也就是他就是我多几年多数是我的事情的的时候,可以不是我就是我就有人

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Case Pres.

Look Cose

China C F/ Stx

I. E 100c Hegh

1 24 1735 25½

10 19 10½

17 5 5½

18 11 13 25½

19 9 14½

45 220 54

53 7 3 39

16 38 54

16 38 54

16 38 54

16 38 54

16 38 54

16 38 54

16 38 54

16 38 54

16 38 54

17 57

18 10 20

19 10 20

10 15 22 66

10 15 22 67

10 3 29 15 19

11 3 20 2190

11 3 20 2190

12 30 11 12

13 20 11 12

14 20 22 196

15 25 21 12

16 25 21 12

17 30 11 112

18 20 21 196

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 30 11 12

18 50 15 22 P' Sta
Dn' Yid. E 100ts high
s 60 27 6 55 22-2
16 32 112 150
16 44 11 25 22-2
16 32 112 150
16 44 11 25 22-2
16 32 12 15 5 22-2
16 32 12 15 5 22-2
16 34 2 15 4 25-2
17 16 34 2 15 5 22-2
18 12 15 5 22-2
19 25 11 39 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12-2
19 32 12 Month
12 Month
13 Month
14 Month
15 Month
16 Month
16 Month
17 150 253 277 277 37 37 4 Stock Brace Braff A Braff Brack Bra Brack Day, Yad E 102 \$ 14 \$8 30 9 3 \$5 28 9 137 pf 40 11 4 pf 50 12 19 40 20 19 25 171 171 172 173 174 175 175 175 175 175 Stock Delam Dehos Debat LE 2619. 15 2614 5 26 7 8 11 86 8 10 7 7 56 6 53 22 20 11 54 44 45 54 18 12 12 12 Steck George Gentle Gen Spock rongs kety kety a styp a ACPA
ATI MANAMATANA A 16 20 2 31 x 31 x 32 4 7 7 这个时间的人对我们不可以把了一个时间的,这个话,我们是我们的一个,我们是不是一个,我们也是我们们也没有什么? 5 100 252 9 14 32 29 41 21 15 Hegh 1974 1974 1974 1974 1974 14. 14. 17. 经银行证据作品的 有法经济的 (24) 日本のでは、日本 COI CHIEF CAIRCE Connel Chart OrSeal Chart Orsen Orsen Chart Chart Orsen Orse 各位5.77节先型的下班有1.7554年的的各种的特别的特别的的形式,可以被从他2000年的产品,在1.550年的,1.5500年的最后,1.5500年,4.5500年,4.5500年,1.5500年,1.5500年,1 新说头说话头说明不作为新说有好的斯克斯特斯·古马林克斯·古斯特·西斯特斯特·西斯特斯特斯特斯特斯特斯特克斯克斯特斯特克斯克斯特斯克斯特斯克斯特斯克斯特斯斯克斯特 - Christian Structure Burnes おおればのかであるから あまのため 間間のからるい POSE MA POSE PARTIE PROFILE PARTIE PA Hampti Harving Harving Harving Harving Harving Hearling Hearling Hearling Hearling Hearling Harving Ha 8-6-6
40 40 8 116
32 22455 25
6 15 25
7 87
7 87
7 140 69 1
10 240
19 45
7 25 8 5
40 13 9 47
5 40 13 9 47
5 12 10 200
19 45
5 20 22 339
10 31181 35
5 55 EAC EECO Eastgo Eastgo Eldudi Eldudi Elgudi Elgudi Englisi Eng (0.3h) 3577、3705、595.5 577、274、3858 8 8 31 75 9 6 8 2 6 2 6 3 5 3 5 3 5 5 5 1 2 2 4 7 5 7 7 24 6 6 7 8 14 BOREST COMES AND THE THE TRANSPORTED TO STATE OF STREET MECO Has NOTED H 1000年成了其後的成了一次正式外表的 200万年或者 Husky g 15 80

LHI
ICH 25 10 7 19
ICO 31 12 17 10
IMC 38 10 4 11 16 53
IRTP- 170 85 10 4
ISS ... 12 21 21 2
ISS ... 12 21 2 12 2
IMPORT S 24 12 21 2
IMSS ... 21 12 21 2
IMSS ... 21 22 23
IMTM, S 12 8 22 9
IMSM 08 17 191
IMSM wr 18
IMSM 28 28
IMPORT 20 11 12 250
IMPORT 30 12 28
IMPORT 20 11 12 280
IMPORT 30 14 19
IMSM 28 288
IMPORT 30 14 19
IMSM 31 288
IMPORT 31 14 19
IMPORT 31 14 14 14 14 14 14 14 14 ล็และเลล 26. 23. 35. 20. 54. 204 54 124 3 153 3 1-161 ព័រ នៅក្នុង ស FPA
Fathed
FarmC
Faffes
Faffes
Faffes
Faffes
Fittige
F BATM
BOMT
SSN
BRITH
SSN
BRITH
SSN
BRITH
BR 7 52 22 13 7 15 22 11 64 185 22 14 54 165 265 53 19 13 18 2 8 22 65 54 165 55 11日 天代之20日 4 年76 226 4 927 20 20 21 21 21 25 11 13 74 不到此话让我的经过后的不过我们们也是了感觉的恐怕这个人的感觉了。 化机能控制的小的现在分词 11年3月7、1730年18日71日2月29年9月1日2028年3月1日7月 化型光光化热或压然的形式光光的引出的 经公司的现在分词 计引擎转换机 作用说的现在分词形式引擎的 5 19 9 7 124 72 1649 10 5 1673 n 50 17 15 15 80 60 13 19 45 32 17 260 14 16 29 pt 4 15 21 50 19 11 21 84 28 28 18 12 8 270 A14 7 57 9 8 4 5 60 14 14 25 5 60 43 8 8 24 28 62 : 5 60 43 8 342 200 15 342 151 21 552 157 168 554 20 134 653 164 174 2 35 5 2 2 7 8 7 14 2 2 18 7 4 6 8 2 7 - is - i لدندا 20 40 50 56 49(91 Jackyn Jacoba Jensen Jeltron John Pd Jupner 12\f 84, 15\f 9 23\f 12¹2 85, 15¹2 5¹3 9 23¹2 12% 85 15% 54 84 23% Kareck MiPatrit MiPatrit MiPatrit Messil M MiHamp MiPatrit MiPatri 12 35 34 42 20 14 35 15 35 20 44 8 12 44 91 44 20 18 81 16 52 14 84 84 184 GNCER GEXPT GRI GRI GatastC GatastC GatastC Germon GREMP GREM GREMP GREM 2 100190 14 37 9 14 32x 20 1 20 6 10 38 16 48 21 64 KTeita KnGs Kapoko kayop Kentra kentra kentra keyoo Kayon Kotse Kiera kingrik 20 13 20 15 80 50 671 41 9 18a 27 5 16 9 7 35:2 135:8 157:18 55:4 55:4 55:4 7 35% 53% 13% 84 16 15 85% 18 54 54 54 7 351 51 15 15 15 15 15 16 17 51 4 55 DWG DaleEn Demon Demon Dem Dam 27 10 4 6 14 6 14 25 4 31, 1184, 64, 25, 25, 25, 33 18K 84 84 25 25 25 318 51 51 52 R-R-A n 51: 50 53 28 Continued on Page 22

的外型单位型上测量的形式的影响的影响的影响的影响的影响的影响的影响的影响的影响的影响的影响的影响的,只要是最近,我们是一个影响的形式的影响的影响,这种影响的影响的 像我说话,我们就是我的就是我的我们的我们的我们的我们的我们的人们就们的人们的人们的,我们们的人们的人们的人们的人们的人们是一个人们的人们的人们的人们的人们的人们的 Saber and the second of the second o StoneW StoneSh Store Stone Stone Stone Stane SunCh SunCh SunCo Sun 1603 42 47 11 12 47 11 12 11 11 12 1 **网络南非洲的的名式名:古田南达广西的河南南的河外城** PROPERTY PRO 。我的是我的是我也是这些我们就是我也没有是我们的的人,我们是我也不是我们的人,我们是我们的人,我们是我们的人,我们是我们是我们的人,我们是我们的人,我们是我们的人, "我们是我们是我们的是我们的,我们是我们的,我们是我们的人,我们是我们的人,我们是我们的人,我们是我们的人,我们是我们的人,我们是我们们的人,我们是我们们的人,我 | U-U-U | B | 1764 | P UAL VALUE CONTROL OF THE PROPERTY OF THE PROPE 为有限的过去式和最高的现在分词形式,不是有限有效的形式,也可以可以是有限的形式,或者也没有是只是只是不可以的形式的形式,可以是可以可以是这 机转用作品,分解电话感染的现在分词 医巴耳奇诺曼氏性不正常指数法医氏量量不过后指电电压共享化生物形式系统的主义系统的经验的复数形式 TDK
TECO
TRE
TRW
JacRoat
Jacky
Tanky
Tanky uzhrun etenten etenten beneren etenten 3.我就是好的,我们也是我们的我们的我们的我们的,我们就是我的一个我们的我们的,我们就是我们的我们的我们的,我们也是我们是我们的,我们们的我们的,我们们也是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们的,我们就是我们 entredations in 1800 as a common and the straight of the contract of a subject and being the contract of the c 2345 2345 2345 2355 231111666 2313111666 2313111666 2313111666 2313111666 231311666 231311666 231311666 231311666 231311666 231311666 231311666 231311666 231311666 231311666 231311666 23131666 23131166 231311666 231311666 231311666 2313 Continued on Page 22

SCA SCM SFN SPSTed

10, 35, 36,

A DESTRUCTION OF THE PERSON OF

[JAPAN (continued)

Dec. 10 Year

LONDON

Jobbers act to widen oil margins

MARKET MAKERS on the London Stock Exchange moved yesterday to improve their margins on deals carried out in oil shares an action which sparked an immediate row among the stockbroking community, writes John Moore, City Correspondent, in London.

Costs for investors who buy and sell oil shares in London will rise as a result of the move in which stockjobbers, the market makers, will widen the spread between the selling and buying price of five oil shares in their dealings with the brokers acting on behalf of clients.

In the now arrangement, the margin between the two prices will be raised from 4p to 5p on shares in BP, Britoil, Shell and Tricentrol, while on the shares of Burmah Oil the spread will be wid-ened from 2p to 3p.

Mr Charles Hue Williams, a partner with stockjobber Wedd Durlacher, said yesterday that the move had been made "to take account of the extreme volatility in oil stocks. Everybody is disappoint-

Stockbroking specialists in oil stocks were particularly upset. "We don't think it is really necessary," said one firm. They should have consulted with the brokers and institutions beforehand," said another firm, which added, "it is a reflection of the present structure of the stock market that they can do this sort of thing."

Brokers argued that the present se-paration of stockbroking and stockjob-bing functions meant that jobbers were largely protected from commercial pressures. "They have just taken advantage of the current system," said another firm. It predicted that such actions would end when dual capacity, or an overlap of functions between the brokers and jobbers, was introduced.

• The council of the London Stock Exchange will consider today its final rules for allowing its member firms to set up international dealing companies in which outsiders will be allowed to participate. It will also consider its final list of outside candidates for five places on the

EUROPE

The bond market was mixed, with an easier bias in foreign bonds, although

Good performances by some holding

In Stockholm, shares were broadly lower with many institutions having already closed their books for the year.

Bolidon, which announced agreement with Combustion Engineering of the U.S. to form a joint company for marketing and development of Bolidon's pigiron production process, shed SKr 8 to

Meanwhile, the Swedish parliament approved a 1 per cent turnover tax on share dealings, which will also be levied on foreign investors. But dealings in non-Swedish shares between foreign in-

lower in thin trading, as speculators opened short positions for the new account. Italmobiliare shed L2,220 to L36,750.

CANADA

Continued from Page 19

domestic issues were mostly higher.

companies and retail stocks helped Brussels higher. Among these, Copega rose BFr 85 to BFr 3,110, while Sofina added BFr 70 to BFr 5,270.

SKr 372.

vestors will be exempt.

In Milan, renewed pressure on Italmobiliare group issues pushed the market

AMERICAN STOCK EXCHANGE CLOSING PRICES

12 Month P/ Six Cuse Prev High Low Such Dot 14 1 100s High Low Choste Close Continued from Page 21 18 104 REDN 9 =0 13-4 13 13 13 13 13 13 13 13 13 13 13 13 13	12 Month	NEW YORK CLOSING PRICES
9 41, FANSE! 25 61, 64, 64, 64, 64, 64, 65, 64, 64, 65, 65, 65, 65, 65, 65, 65, 65, 65, 65	23 10 TB 21 13 17 53 16% 18 16 16 19 29% 150, Tabbr 5 20 8 13 23 24 5 23% 23% 23% 2 19% 15 17 17% 17% 17% 17% 17% 17% 17% 17% 17%	12 Mouth P/ Sis Close Prev. High Low Suck Civ. Yid. E 100s High Low Quote Clase Continued from Page 21
8° 6 Rivet	137, 33, TechTp	V-V-V 21, 334, VFCp 2 32 9 169 631, 672 672 -11, 111, 197, VF m 16 22 311, 314, -12, -13, 111, 197, VF m 16 22 311, 314, -13, -13, 111, 197, VF m 16 22 311, 314, -13, -13, 111, 197, Valero pr. 44 20 9 355 217, 212, 213, 214, -13, 177, 242, Valer pr. 44 16 8 27, 27, 27, 27, -13, 15, 16 VanDm 120 44 16 8 27, 27, 27, 27, -13, -14, 15, 15, 15, 15, 15, 11, 19, 19, 19, 10, 11, 19, 19, 19, 10, 11, 19, 19, 19, 19, 19, 19, 19, 19, 19
90: 415 SAD	34, 1, Town wi 31 11-16 9-16 9-16 -1; 21, 12, 17 Trang 250 11, 11, 11, 11, -1; 31, 11, 17 Trang 12 10 8 9 30 121, 122, 121, 13, 11, 22, 5-16 Trag wi 28 5-16 5-16 5-16 223, 132, 17 Trang 100 48 29 9 12 161, 161, 163, 163, 163, 164, 164, 164, 164, 164, 164, 164, 164	231, 184, WICOR 2 14 99 9 83 22 21 21 - 1 1 2 25 Weenow 1 55 35 9 35 44 2 44 4 44 4 4 1 1 1 1 1 1 1 1 1 1 1
16% 99, Servot 80 75 15 21 10% 10% 10% 10% 10% 10% 10% 10% 10% 10	V-V-V 1	12-ի 10-ն Westc1T g1:04 33 12 12 12ի 1
882 73 SCEd p8 56 17. 10 744 744 7445 214 184 SCEd p7 20 12 6 184 189; 184 - 4 204 18 SCEd p7 270 12 6 184 189; 184 - 4 702 60 SCEd p7 37 13 4 89 654 654. 802 664 SCEd p7 77 13 4 89 654 654. 802 664 SCEd p7 77 13 4 89 654 654. 802 664 SCEd p7 77 13 4 89 654 654. 802 664 SCEd p7 77 13 4 89 654 654. 803 654 664 + 1 2 55mm WTC 107 6 55 55 - 1 2 143 Sporton 11 43 12% 12% 12% - 1 2 77 5pk p1 1 10 13 10 10 12% 12% 12% - 1 2 134 5pcrop 14 7 13 40 20 1932 1932 1942 - 1 2 134 55 Sporton 10 9 18 79 114 104 114 + 1 2 134 65 Sporton 10 9 18 79 114 104 10 104 + 1 2 13 84 Shiften 10 8 223 22 94 94 95 95 14 114 114 + 1 2 13 84 Shiften 10 8 223 22 94 95 95 95 95 14 114 114 + 1 2 13 84 Shiften 10 8 223 22 94 95 95 95 95 114 114 114 + 1 2 13 84 Shiften 10 8 22 114 114 114 + 1 2 13 84 Shiften 10 8 22 114 114 114 114 + 1 2 13 84 Shiften 10 8 22 114 114 114 114 114 114 114 114 114	Fig. 40 WTC	124, 45 Winder 30 110 105, 107, 107, 107, 107, 107, 107, 107, 107
145 84 SuprSt 28 25 11 18 11 105 11 + 16	ີ່ໆຢູ່42 _ຄ ື WrogeH g 20.47 6 52 ₆ 8 +ໄຊ້ _ໄ	X-Y-Z Si Kertox 3 58 12 7683 U524, 511, 511, 1255 485, Xertox pi5 45 11, 113 467, 4683, 483, -1, 17 18 24 1364 36 354, 355, -1, 18 24 1364 36 354, 355, -1, 18 24 1364 36 354, 355, -1, 18 24 1364 36 354, 355, -1, 18 24 1364 36 354, 251, -1, 18 24 24 24 24 24 24 24 2

HAND - DELIVERY IN PARIS

Many of our subscribers already receive their copy of the Financial Times on the day of publication. If you live in the 1st, 2nd, 7th, 8th, 9th, 16th or 17th arrondissement, Neuilly or La Défense and would like to hear more about this service, then contact:

Benjamin M. HUGHES Financial Times (Europe) Ltd Centre d'Affaires Le Louvre 168, rue de Rivoli **75044 PARIS CEDEX 01**

EUROPE'S BUSINESS NEWSPAPER

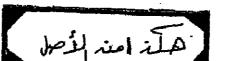
]	ANZ Group	-0.00 Knpsto -2
AMCA Intl. 241, 244 Abitim 25 25	Aarhus Olie	ACF Holding, 186.5 +0.	Alience Dil D 0.62	-CRITICAL TOTAL TO
Abitibi 25 25 Agnico Eagle 1712 17-9	Baitica Skand : 066 +6	Abold 188 -0.	5 Ampel Pet 2.75	- 0.81 Kyoto Deramic 9,100 - 10
Alberta Energy 18 18	CopHandelsbank, 294 +7	Ahold. 185 -0. AKZO 90.4 +0.	SERVING CONTRINGED AND A PORT OF	2.20 - 20 - 20 - 20 - 20 - 20 - 20 - 20
Alcan Aluminium 47'4 , 47'4 Alcana Steel 29 28'4	Danska Bank 417 +8	ABN. 380 - B. AMEV. 180.5 - 0. AMRO. 60.2 - 1. Bredero Cert. 179 - 1. Buskais Westm. 40.3 - 0	Aust, Nat. Inda 2.66	_0.61 } Makite
	I East Asiatic 107 +3	AMRO 60,2 +1,	Aust, Paper 2.55	ACLES ASSECUTED
Asbestos 10:4 10:4 Bk. Montreal, 27:2 27:4	Forende Brygg 1,320	Bredero Cert 179	Bond Hidgs 1.76	. P. 61 118-m. 1
54, Nova Scot 3 . 4514 . 4515		I DUNTMANN- I BE	Byille Copper 2.48	-0.07 WEI -0.00 -0.00 -0.00 -0.00
Sell Canada 51 31	1.S.S.B 700 · -10	1Cajand Hidgs 34.5, + 1.	Brambles India 0.31	D.DI SAF NI_A BARR 500
Bombardier 1912 1916	1.5.5.B	Credit Lyon is Bk 41.2 +0. Elsevier NOU nv. 479 +6	B ville Copper, 2.45 Brambles inds 5.31 Frid a Oli 5.8 SHP 14	-0.81 M'bi Elec Works 600 +1 -0.88 M'bishi Bank 500 -4 +0.1 M'bishi Corp 600 -4 -0.84 M'bishi Elek 405 -7
Sew Valley 25% 25% 25% EP Canada Res 22% 22%	Privatbanken 296 +8	Lisation had not and 1 40	[CRA,	
DIRECTAL A CO.E OF	Provinsbankon 314 +7	Giet. Brocades 165 +C.		Mais 256 - 6
8r.nco. 2.82 2.92 8.C. Forest 15:4	Smidth (Fi)	Heineken 124 -0.	i (Castiemaine, J.E. 7 .	Indiant Co Say 1 - 4.
CILING 3014 8012	Superfos 515 +3	Hunter Douglas. 21.4: +0.	i [Coles (G.J.) 🗣	+0.40 [Methor Enterto 120 11
Cad:lacFairview. 9% 10 Campbell RedLk 30% 51%		Int Mulier 35.5 +0.	Constituted Par 0.51	-0.81 NOX mentetors 663 +7
Campbell RedLk 301 314 Can Ciment Pf 141 14	GERMANY	Manadan Inti / ADA AD	Goatain	Nihop Cament 206 -9
	Dec. 19 Price + or	Nat Ned Cart 192.5: +8. Ned Credit Bank 33.7 +1.	ATT Tied 5.	Misson Elect
Can NW Energy 2812 2815 Can Packers 2712	Pm	Ned Mid Bank 140 +1.		0.2 Nicoson Extreme 204 3
Can Trusteo 4414 4416	AEG-Telef 76.5 +0.5	\$ MEGGIOTO ****** * ***** * * ***	Gentler Tries 2.12	
Can Imp Bank, 31% 32 Can Pacific 51% 62		Oce Grinten 232 +2.	Hardia (L.) 6.65	-0.01 Nippon Cil 698 -25
Can Pacific 5114 , 62 Can. Pac. Ents 28:2 2312	BASF 166.7 +0.0	Pakhoed		Alippon Serico
	Bayer-Hypo 281 +6	Pakhoed	Marsh WyTimes &I	a O.M. Michon Steel 164
Can Tire A 123g 65 Carl n j O'Kfe 213g 213g	Bayer-Verein 310 +1	Rijn-Scheide 4 : +0. Robero 324.5 -1.		
Chie. tiin 15 ; 154 Com.nco 581 584	Salar 166.7 + 0.6 Sayer 166.8 + 0.5 Sayer 166.7	Robero 324.5 -1. Rodamco 129.6 -1. Rodinco 312.5 -1 Rorento 198.6 -0.	Hartogen Energy 2.68 Herald Wy Times 2.27 ICI Aust. 2.27 Jimb lada (50c) 0.57 King Ora Gold. 0.16 Lend Lesse 2.29	
Cons Sathst A 26:; ! 25:; Copper Lake 2.10 2.10	Brown Bover 225 +0.5 Commerzbank 164 +2.5	100	Lend Lesse 4.92	+ U.OT I Wissen McCor TOU ! L
Coseka Res 3.60 3.60	Conti Gummi 116,7' -0.3	Royal Dutch 134.6 -0.	MilM 8,72 Mayne Nickless 3,87	A M. Martin Steel 104 -1
Costain 9:8 10 Denison Mines 4812 47	# 42.5 - 0.3 22.5 + 0.5 22.5 40.5 22.5 40.5 22.5 40.5 22	Royal Dutch	Moekatherra 1.2	- Mortura
Dofasco 62:4 62:4	Demag	VNU 121.5 -0.	Nat.Com.Bk 5.7	-0.85 Conton Tatalai 8.000
Dome Mines 1612 1614 Dome Petroleum 4.20 4.25	Deutsche Bank 318.6 +5.1	Make of bank 111	Mer Emp. 1.97 Nat.Com.Bk. 5.7 Naws 10.2 Nicholas Kiwi 8.8	0.81 Options 1.570 30 0.81 Options 1.570 30 0.81 Options 1.570 30 0.81 Options 1.570 3.500 9.550 0.81 Options 1.550 3.540 80 0.81 Options 1.550 0.
Dome Petroleum 4.20 . 4.25 Bominion Stra 1912 : 19	Deguss 377.8 1.8 Demag 146 D'sche Babcock 182 1.7 Deutsche Bank 518.6 5.7 Drasdner Bank 165.9 +2.1 GHH 165.9 +2.1 Hockhief 452 +14 Hocchst 176.2 +1.5 Hossch Werke 94.5 +2 HoltzmanniP 487 +5 Horten Kait und Saiz 198.0 Karstact 280.8 +5.5	<u> </u>		Reddyn 201 11
Dominion Strs 191 ₂ 19 Domtar 305 ₃ 307 ₈ Falconbridge 751 ₄ 75	Hochtlef 452 +14	1	North Skn Hill 3,15 -	-0,55 Ripoh 1,140 -40
Falconbridge 7414 75 Genstar 3012 3058	Hoesch Werke 176.2 +1.5	l	Ottor Expl 0.51	-0.84 Sanyo Sleet 5454
Glant Y knita 231: 234	Holzmann(P) 487 +8	SWEDEN	**************************************	O.ST Sapporo
Guif Canada 16% 16%	Horten 182.0	Deg. 19 Price - o		10 mm n. Flavon 15 730 7 - 10
Hawk Sid. Can 1812 1812	Karstadt	Kronor —	Report 1.29 -	- D 1E Shimedat
Mudeon's Rev 345s ' 245s	Kauthot	AGA 350 -5	Smith (H.) 4.85	—0.20 iguidudai '''' isa ∽ ô '
Hudson's Bay 2458 2454 Husky Oil	KHD	Alfa Laval	Southland Min'g. 0.25	+0.81 Shiseido
Imasco	Krupp	1 A-1 (Free) 495 - 11	Thos. Hatwide 2.17	0.65 Sony 5,480 +30 +0.07 Stabley 796 -7 +0.67 Stocke Elect 794
imp Oil A	1025	Atlas Copeo 1152 Boliden 372 -8	Landella tradition there and and and	
Indal 13:2 13	MAN	Cardo 345	UMAL Cons 5.49	a_a_i ii tomo metai 190 /
Inter Pipe 33 6312 LAC Minerals 50 6014	Mercedes Hid 593 +0.5	Collulosa (Free) 155 -8 Electrolux B 256 -9	Wastern Minima . 4 95	Taltei Dengyo 5558
Macmil. Bloedel. 291g · 291g	Metaligesell 214 +5 Mueuch Rueck:1,000 -20	Ericsson 405 -12	Wastpat 5,88	
Marks & Spencer 16 16	Prousses	Esselte (Free) 292 +7 Mo Och Domajo. 395 -15	#00/#0/## ~**** **** -	Takada
Massey Ferg 576 6 McIntyre Mines. 3814 89	Rhein West Elect, 175 +0.4	Pharmacia(Free): 296	wormaid inti	Telito 491 ~-0
13.44/Carm . 1764 : 1H	Schering	Sandvik B (Free) 290 -9		Tekkoku Oit
Moison A	Prousang 270.5 + 0.5 Rhein West Elect . 173 + 0.4 Rosenthal 284 + 0.5 Schering 558 + 3.5 Siemens 579.4 + 5.4	19kandia		
Mat. Sea Proda A. 73s 73s	Thysien	Skan Enskilda 290 —4 SKF B ———————————————————————————————————	HONG KONG	Tokyo Elect Pur. 1,010 —26 Tokyo Ges
Noranda Mines 263e · 263e	Vebs 167,5, +0,2			
Morcen Energy 155 1034	1vew 1196 ±06			
Mann. Telecom 2012 1 2013	V.E.W 118,5 +0,6 Versin-West 508	Swedish Match 360 -9		Tokyo Style 870 -1
Mova Alberta 74 : 74	V.E.W. 118,6 +0,6 Verein-West 508	Sven Handelsbn . 195 —2 Swedish Match 260 —9 Volvo B (Free) 426 —10	H.K.B	Tokyo Style 870 -1 Tokyo Corp 298 +1 Tokyo Print 585
Nova Alberta 714 : 718 Nova Alberta 714 : 718 Numac Oil 1814 : 18	V.E.W. 115,0 +0.5 Verein-West 508	Swedish Match 360 -9	Sunk East Asia 19.3 Carrian Invest 0.87	Tokya Style 870 -1 Tokya Corp 898 +1 Tokya Print 585 Tokya 591 -1
Mova Alberta 74 : 71s Mova Alberta 74 : 71s Mumac Oil 181s / 18 Oakwood Pet 8 : 81s Pan Cani. Pet. 25 : 244	Verein-West 508 +0.6 Volkswagen 202,1, -0.5 FRANCE	Swedish Match 360 -9	Sank East Asia 19.3 Carrian invest 0.87 Cheung Kong 6.95	Tokyo Style 870 1 Tokyo Corp 888 1 Tokyo Corp 886 1 Tokyo 886 5 Toray 891 1 Tokhitra 884 8
Mrnn. Telecom 30:2 30:3 Nova Alberta 74: 71:8 Numac Oil 13:4 13: Oakwood Pet 25 24:4 Pan Can. Pet 25 24:4 Patino 10 10 Placer Dev 22:4 22:8	VEW. 10.5 +0.5 Vorein-West 508 Vorein-West 202.1, -0.5 FRANCE	Swedish Match 280 -9 Volvo B (Free) 48610	Bank East Asia 19.3 Carrian invest 0.87 Cheung Kong 6.95 China Light 11.6	Tokya Seyle
Mrn. Telecom 301-2 301-3 Nova Alberta 74: 718 Numac Oil 1814 18 Cakwood Pet 8: 814 Pan Can. Pet 25: 2414 Patino 10: 10 Placer Dev 2214 2278 Powar Corp 1916 1918	Verein-West 508 +0.5 Verein-West 202.1, -0.5 FRANCE Dec. 19 Price Fr	Swedish Match 360 -9	Bank East Asia 19.3 Carrian invest 0.87 Cheung Kong 6.95 China Light 11.6	Tokya Seyle
Mrin.	Verein-West 508 +0.5 Verein-West 202.1, -0.5 FRANCE Dec. 19 Price Fr	Swedish Match 280 -9 Volvo 8 (Free) 486 -10	Sank East Asia 19.3	Tokya Seyle
Mrn. Telecom. 30:2 30:3 Nova Alberts. 71 71 718 Numac Oil	Verein-West 368 40.5 Vorlein-West 202.1, -0.5 FRANCE Dec. 19 Price + or Frs Emprunt 455 1873 1,830 -20 Emprunt 73 18759.570 -29	Swedish Match 280 -9 Volvo 8 (Free) 486 -10	Bank East Asia 19.3 Carrian invest. 0.87 Cheung Kong 5.95 Chies Light 11.5 Hang Light 11.5 Hang Seng Sank 56.75 Hik Electric 5.4 Hik Kowloon Wh. 3.5 Hik Land 5.8	Tokya Seyle
Mrnn.	Verein-West 508 Vorlin-West 508 Volkswagen 202.1, -0.5 FRANCE Dec. 19 Price + or Frs Emprunt 45% 1975 1,830 -20 Emprunt 73 1975 9,570 -29 CNE 37 3,099 +4 Air Liquide 508 +5	NORWAY Dec. 19 Price + o Kroher - Bernere Bank 1350 - 1	Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 5.95 Chies Light 11.5 Rang Light 11.47 Kang Seng Sank 16.78 HK Kewloon Wh 18.5 HK Lestric 9.4 HK Kand 3.85 HK Shanghai Bk 19.84	Tokya Seyle
Mrnn.	VEW. 18,0 +0.0 Verein-West 368 Volkswagen 202.1, -0.5 FRANCE Dec. 19 Price Fra Emprunt 498 1875 1.830 -20 Emprunt 72 1975 9.570 -29 Air Liquide 506 +5 BIC 592xc +4	NORWAY Dec. 19 Price + o Kroher Beryens Bank 135 -1 Borrosard 135 -1	Sank East Asia 19.5 co. 27 Cheung Kong 1.5 co. 27 Kang Light 1.5 kang Sang Sank 1.5 kK Eaverts 1.5 co. 2.6	Tokya Sayle
Nova Alberts	VEW. 13.6 + 0.5 Vorein-West 368 Volkswagen 202.1 - 0.5 FRANCE Dec. 19 Price Fra	NORWAY Dec. 19 Price + o Kroher — Beryens Bank 135 — 1 Sorrogaard 135 — 1 Christianis Sk 141 + 1 Den Norsk Credit 147 5	Sank East Asia 19.5 Carrian Invest 0.87 Cheung Kong 5.95 China Light 11.5 Hang Light 12.7 Hang Light 15.7 HK Rowloon Wh. 5.6 HK Kawloon Wh. 5.6 HK Shanghai Bk, HK Talephone 18.7 Hittchion Wha 14.3 Jardine Meth 11 New World Dev. 2.77	Tokya Seyle
Nova Alberts	Verein-West 368 Volkswagen 202.1, -0.5 FRANCE Dec. 19 Price + or Fra. Emprunt 45% 1975 1,830 -20 Emprunt 73 1975 9,570 -29 CNE 39 -20 CNE 39 -20 Air Liquide 508 +5 BIC 592xc +4 Bouygies 655 -8 BSN Gerwiss 2,520 +1 CITAIcetal 1560 +10	NORWAY Dec. 19 Price + o Kroner Bergens Sank 139 -1 Sorregaard 138 +0 Christians Sk. 141 +1 Den Norsk Credit; 147.5 -5 Elkem.	Sank East Asia 19.5 0.87 0.	Tokya Style
Maria Mari	VEW. 13.0 + 0.0 Verein-West 308 10.0 Verein-West 308 202.1 - 0.5 FRANCE	NORWAY Dec. 19 Price + o Kroner - Bergens Bank 139 - 1 Bergens Bank 139 - 1 Borregaard 188 - 0 Christiania 8k 141 + 1 Den Norsk Gredit 147.5 - 1 Eikem 122 + 3 Norsk Data 268 + 3	Sank East Asia 19.5 Carrian invest 0.87 Cheung Kong 11.5 Chang Kong 11.5 Chang Light 11.5 Hang Light 11.5 Hik Electric 11.5 Hik Kawloon Wh. 15.6 Hik Kanghai Bk. 49 Hik Telephone 14.3 Jardine Meth 11 Rew World Dev. 0.7 Crient Orass 9.67 Crient Orass 9.7 SKH Props. 4.56 SKH Props. 4.56	Tokya Style
Mrnn.	Verein-West 368 10.5	NORWAY Dec. 19 Price + o Kroner Bergens Sank 139 -1 Sorregaard 138 +0 Christians Sk. 141 +1 Den Norsk Credit; 147.5 -5 Elkem.	Sank East Asia 19.3 Carrian Invest 0.87 Cheung Kong 15.7 Cheung Kong 14.7 Cheung Kong 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Ros A 2.67 Cheung Kong 15.7 Cheung .	Tokya Style 570 Tokya Corp 898 +1 Tanpan Frim 585 Torzy 591 -1 Tokya Style 596 Torzy 596 T
Nova Alberts	Vew 180 100	Svedish Match 190 -9	Sank East Asia 19.3 Carrian Invest 0.87 Cheung Kong 15.7 Cheung Kong 14.7 Cheung Kong 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Ros A 2.67 Cheung Kong 15.7 Cheung .	Tokya Style
March 100 10	VEW. 18.0 + 0.0 Verein-West 368 Volkswagen 202.1 - 0.5 FRANCE Dec. 19 Price Fr	Svedish Match 190 -9	Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 0.87 Cheting Kong 11.5 China Light 11.6 Rang Light 8.4 Rang Seng Sank 11.47 Rik Electric 9.4 HK Kowloon Wh 15.5 HK Shanghai Bk 49 HK Shanghai Bk 49 HK Talephong 14.3 Jardine Meth 11 Rew World Dev 2.7 Orient O'aess 11 Rew World Dev 2.7 Orient O'aess 2.7 Skir Props 4.65 Swire Pad A 24.2 Wheel'k Mard A 1.0 Wheel'k Mard A 1.0	Tokya Style
March 100 10	Verein-West 368 Vorein-West 368 Volkswagen 202.1, -0.5 FRANCE Dec. 19 Price Fr., - Emprunt 458 1873 1,830 -20 Emprunt 78 19759,570 -29 CNE 37 3,099 +4 Air Liquide 508 +5 BIC 592xc +4 Bouygues 665 -8 BSN Gervais 2,520 +1 Cil-Alcatel 1,360 +10 Carrefour. 1,295 +15 Club Mediter'n 743 -2 CFAO 548 +6 Cie Bancaire 407 +4 Cofimeg 182.1 +1 Darty 755 +11 Dumez 649 +7	Svedish Match 190 -9	Sank East Asia 19.3 Carrian Invest 0.87 Cheung Kong 15.7 Cheung Kong 14.7 Cheung Kong 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Trust Bit 15.7 Cheung Ros A 2.67 Cheung Kong 15.7 Cheung .	Tokya Style
Nova Alberts	Vew 10,0 Vol.	NORWAY Dec. 19 Price + e Kroner Bergens Bank 139 -1 Borregard 188 +0 Christiania 8k 141 +1 Den Norsk Credit 147.3 -0 Eikem 122 +3 Norsk Data 258 +5 Norsk Hydro 467.6 -2 Storebrand 175	Sank East Ania 19.5 Carrian Invest 0.87 Cheung Kong 5.95 China Light 11.6 Hang Light 11.6 Hang Light 5.6 HK Rowloon Wh. 5.6 HK Kawloon Wh. 5.6 HK Shanghai Sk. HK Talephone 12.85 HK Talephone 11.7 New World Dev. 2.7 O'ceas Trust Sk. 3.7 SKH Props 2.87 C'espa Trust Sk. 3.7 SKH Props 2.87 Wheel's Marci A. 2.2 Whoel's Marci A. 2.2 Whoel's Marci A. 3.75 World Int. Holdgs 1.5	Tokya Seyle
Nova Alberts	VEW 18,0 +0.0 Verein-West 308 Volkswagen 202,1 -0,5 FRANCE	NORWAY Dec. 19 Price + o Kroner Bergens Bank	Sank East Ania 19.5 Carrian Invest 0.87 Cheung Kong 5.95 China Light 11.6 Hang Light 11.6 Hang Light 5.6 HK Rowloon Wh. 5.6 HK Kawloon Wh. 5.6 HK Shanghai Sk. HK Talephone 12.85 HK Talephone 11.7 New World Dev. 2.7 O'ceas Trust Sk. 3.7 SKH Props 2.87 C'espa Trust Sk. 3.7 SKH Props 2.87 Wheel's Marci A. 2.2 Whoel's Marci A. 2.2 Whoel's Marci A. 3.75 World Int. Holdgs 1.5	Tokya Style
Nova Alberts	VEW 18,0 +0.0 Verein-West 308 Volkswagen 202,1 -0,5 FRANCE	NORWAY Dec. 19 Price + o Kroner Bergens Bank	Bank East Asia 19.3 Carrian Invest 0.87 Cheung Kong 15.5	Tokya Style
Nova Alberts	Vee	Second S	Sank East Asia 19.3 Carrian invest 0.87 Cheting Kong 0.87 Cheting Kong 11.5 Cheting Kong 11.6 China Light 11.6 Rang Light 11.6 Rang Light 8.6 Rix Electric 12.6 HK Keovicon Wh 1.6 HK Kandama Bk 49 HK Talephone 12.85 HK Shanghai Bk 49 HK Talephone 14.3 Jardine Meth 11 New World Dev. 2.7 Orient O'asas 2.67 C'asas Trust Bk 9.7 SKM Props 4.65 Swire Pac A 24.2 Wheel'k Matrix A 12.9 Wheel'k Matrix A 1.73 World Int. Holdgs 1.5	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202,1, -0,5	Sec Parios Sec S	Sank East Asia 19.3 Carrian Invest 0.87 Cheung Kong 1.95 Cheung Kong 1.95 Chies Light 1.67 Hang Lorg Devel 1.47 His Record William 2.85 His Shanghai Bk 9.4 His Calephone 1.43 Histohon Wa 143 Histohon Wa 143 Jardine Math 1.1 Rew World Dev 1.4 Orient O'asas 2.87 O'asas Trust Bk 9.7 SKH Props 2.87 O'asas Trust Bk 9.7 SKH Props 2.65 Swire Pad A 2.9 Wheel's Mistria 1.78 World Int. Hologs 1.56 JAPAN Deg 19 Price 4	Tokya Style
Minn.	VEW Verein-West 368 Volkswagen 202_1 -0.5	Sec Parios Sec S	Sank East Asia 19.3 Carrian Invest 0.87 Cheung Kong 1.95 Cheung Kong 1.95 Chies Light 1.67 Hang Lorg Devel 1.47 His Record William 2.85 His Shanghai Bk 9.4 His Calephone 1.43 Histohon Wa 143 Histohon Wa 143 Jardine Math 1.1 Rew World Dev 1.4 Orient O'asas 2.87 O'asas Trust Bk 9.7 SKH Props 2.87 O'asas Trust Bk 9.7 SKH Props 2.65 Swire Pad A 2.9 Wheel's Mistria 1.78 World Int. Hologs 1.56 JAPAN Deg 19 Price 4	Tokya Sayle
Nova Alberts 74 718 71	VEW Verein-West 368 Volkswagen 202_1 -0.5	Sec Paris Sec Se	Sank East Asia 19.3 Carrian Invest 0.87 Cheung Kong 1.95 Cheung Kong 1.95 Chies Light 1.67 Hang Lorg Devel 1.47 His Record William 2.85 His Shanghai Bk 9.4 His Calephone 1.43 Histohon Wa 143 Histohon Wa 143 Jardine Math 1.1 Rew World Dev 1.4 Orient O'asas 2.87 O'asas Trust Bk 9.7 SKH Props 2.87 O'asas Trust Bk 9.7 SKH Props 2.65 Swire Pad A 2.9 Wheel's Mistria 1.78 World Int. Hologs 1.56 JAPAN Deg 19 Price 4	Tokya Seyle
Minn.	VEW Verein-West 308 Vorein-West 308 Volkswagen 202.1 -0.5	Sec Paris Sec Se	Sank East Asia 19.3 Carrian Invest 0.87 Cheung Kong 1.95 Cheung Kong 1.95 Chies Light 1.67 Hang Lorg Devel 1.47 His Record William 2.85 His Shanghai Bk 9.4 His Calephone 1.43 Histohon Wa 143 Histohon Wa 143 Jardine Math 1.1 Rew World Dev 1.4 Orient O'asas 2.87 O'asas Trust Bk 9.7 SKH Props 2.87 O'asas Trust Bk 9.7 SKH Props 2.65 Swire Pad A 2.9 Wheel's Mistria 1.78 World Int. Hologs 1.56 JAPAN Deg 19 Price 4	Tokya Seyle
Nova Alberts 74 718 71	VEW Verein-West 308 Vorein-West 308 Volkswagen 202.1 -0.5	Sec Sec	Sank East Asia 19.3 Carriar invest 0.87 Cheung Kong 11.5 China Light 11.6 Kang Seng Sank 11.6 Kang Seng Sank 16.75 King Ling Devel 1.47 King Seng Sank 16.75 King Sanghai Sk. 19.7 Chant Oreans 14.3 Jardine Meth 14.3 Seng Sanghai Sk. 17.7 Crient Oreans Trust Sk. 2.7 Creans	Tokya Seyle
Nova Alberts 74 718 71	Verein-West 368 Volkswagen 202_1 -0.5	Sec Exterior 196 197 198 1	Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 0.87 Cheting Kong 11.5 China Light 11.67 Lang Light 11.67 Lang Light 11.67 Lang Light 11.67 Lang Sang Sank 11.67 Lik Electric 9.4 Lik Kowloon Wh 14.3 Lik Electric 9.4 Lik Kanghan Bk, 4.9 Lik Chelphone 14.3 Littchison Wha 14.3 Littchi	Tokya Style
Minn.	Verein-West 368 Volkswagen 202_1 -0.5	Sec Pario Sec Se	Sank East Asia 19.3 Sank East Asia 19.3 Carrian invest 0.87 Cheung Kong 15.5 Chies Light 11.6 Rang Ligh	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Sec Exterior 196 197 198 1	Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 19.5 Cheting Kong 11.5 Kang Ling-Devel 1.47 Kang Sang Sank 8.75 Kik Keovison Wn 1.43 Jardine Meth 1.7 Skif Props 2.45 Wheel'k Mitthe 1.78 Whoel'k Mitthe 1.78 Whoel'k Mitthe 1.78 Whoel'k Mitthe 1.78 World Int. Holdgs 1.5 JAPAN Deo, 19 Price 4 Alinomoto 1.110 Alps Electric 952 Asahi Chem 600 Asahi Chem 600 Asahi Chem 600 Bridgeston 1.580 Casio Comp. 1490 Chugsi Pharm 670	Tokya Seyle
Nova Alberts	Verein-West 308 Volkswagen 202_1 -0,5	Sec Paris Sec Se	Bank East Asia 19.5 Carrian Invest 0.87 Cheung Kong 1.67 Cheung Cheung 1.67 Cheung Cheung 1.67 Cheung Cheung 1.67 Cheung Trust Ba. 1.7 SKI Props 2.67 Cheung Trust Ba. 2.67 Cheung Trust Ba. 2.67 Cheung Trust Ba. 2.67 Cheung Trust Ba. 2.67 Cheung Cheung 1.65 Swire Pac A 2.62 Wheel'k Mard A 2.9 Wheel'k Mard A 2.9 Wheel'k Mard A 2.9 Wheel'k Mard A 2.75 World Int. Hologs 1.5 Alinomoto 1.110 Alinomoto 1.75 Alinomoto 5.96 Cando Comp. 250 Cando Comp. 1.550 Casio Mappoor Pig 866 Cando 1.550 Casio Comp. 1.550 Casio Comp. 1.550 Casio Comp. 1.550 Casio Comp. 1.550 Casio Hoppoor Pig 866 Casio Comp. 1.550 Casio Hoppoor Pig 866 Casio Comp. 1.550 Casio Comp. 1.550 Casio Hoppoor Pig 866 Casio Comp. 1.550 Casio Comp	Tokya Sayle
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 1.55 China Light 1.47 Light 1.47 Liang Seng Sank 1.47 Lik Electric 1.47 Lik Kowloon Wh. 1.43 Lik Shanghai Bk. 49 HK Shanghai Bk. 49 HK Shanghai Bk. 49 HK Telaphone 1.43 Jardine Math 11 New World Dev. 2.7 Orlent O'aess 1.2 Wheel'k Mittha 1.7 Swire Fed A 2.6 Wheel'k Mittha 1.78 World Int. Holdgs 1.5 JAPAN Deo, 19 Price 4 Vent Allnomoto 1.110 Alps Electric 2.570 Amada 952 Asahi Chem 690 Bridgeston 2.598 Canon 2.598 Canon 1.550 Casio Comp. 1420 Chugai Pharm 579 Citizen 970 Citizen 980 Daiwa House 982 Daiwa House 982 Can Nippor Ptg 983 Daiwa House 982	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carrian invest 0.87 Cheung Kong 11.5 China Light 11.67 Rang Light 11.67 Ra	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carrian invest 0.87 Cheung Kong 11.5 China Light 11.67 Rang Light 11.67 Ra	Tokya Style
Nova Alberts	Verein-West 308 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carrian invest 0.87 Cheung Kong 11.5 China Light 11.67 Rang Light 11.67 Ra	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 11.5 Kang Ling-Devel 11.6 Kang L	Tokya Seyle
Nova Alberts	Verein-West 368 Volkswagen 202_1, -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar Invest 0.87 Cheung Kong 11.5 China Light 11.6 Rang Ligh	Tokya Style
Nova Alberts 714 718	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar Invest 0.87 Cheung Kong 11.5 China Light 11.6 Rang Ligh	Tokya Style
Nova Alberts 714 718	Verein-West 368 Volkswagen 202_1, -0,5 FRANCE Dec. 19 Price + or Frs. - Emprunt 457 1975 1,830 -20 Emprunt 73 1975 9,570 -29 CNE 37 3,099 +4 Air Liquide 608 +5 BiC 592xc +4 Bouygues 658c -8 BSN Gervals 2,620 +1 Cit-Alcatel 1,360 +10 Carrefour 1,295 +15 Cit Mediter n 743 -2 CFAO 44 +1,1 Darty 755 +11 Crousot Loire 44 +1,1 Darty 755 +11 Cotimeg 198,1 +1,1 Crousot Loire 44 +1,1 Darty 755 +11 Cotimeg 198,1 +1,1 Crausot Loire 44 +1,1 Darty 755 +11 Cotimeg 198,1 +1,1 Crausot Loire 44 +1,1 Darty 755 +11 Cotimeg 198,1 +1,1 Crausot Loire 44 +1,1 Darty 755 +1 Cotimeg 198,1 +1,1 Crausot Loire 44 +1,1 Darty 755 +1,1 Bandicate 47,4 +1 Farnod Ricard 1,985 +1,4 Moulinox 102 0,9 Nord Est 47,4 -1 Peurgeot SA 200,5 -2,5 Poclain 62,5 -1,8 Portior PB 118 -1 Peurgeot SA 200,5 -2,5 Poclain 62,5 -1,8 Radiotech 494 -3 Radiotech 494 -3 Radiotech 494 -3 Radiotech 494 -3 Skis Rossignol 3,005 -7 Telemech Elect 1,350 -8 TALY	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar Invest 0.87 Cheung Kong 1.67 Kang Light 1.67 Kang	Tokya Style
Nova Alberts 714 718	Verein-West 368 Volkswagen 202_1 -0.5 FRANCE	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar Invest 0.87 Cheung Kong 1.67 Kang Light 1.67 Kang	Tokya Style
Nova Alberts 714 718	Verein-West 368 Volkswagen 202_1, -0,5 FRANCE Dec. 19 Price + or Frs. - Emprunt 457 1975 1,830 -20 Emprunt 73 1975 9,570 -29 CNE 37 3,099 +4 Air Liquide 608 +5 BiC 592xc +4 Bouygues 658c -8 BSN Gervals 2,620 +1 Cit-Alcatel 1,360 +10 Carrefour 1,295 +15 Cit Mediter n 743 -2 CFAO 44 +1,1 Darty 755 +11 Crousot Loire 44 +1,1 Darty 755 +11 Cotimeg 198,1 +1,1 Crousot Loire 44 +1,1 Darty 755 +11 Cotimeg 198,1 +1,1 Crausot Loire 44 +1,1 Darty 755 +11 Cotimeg 198,1 +1,1 Crausot Loire 44 +1,1 Darty 755 +11 Cotimeg 198,1 +1,1 Crausot Loire 44 +1,1 Darty 755 +1 Cotimeg 198,1 +1,1 Crausot Loire 44 +1,1 Darty 755 +1,1 Bandicate 47,4 +1 Farnod Ricard 1,985 +1,4 Moulinox 102 0,9 Nord Est 47,4 -1 Peurgeot SA 200,5 -2,5 Poclain 62,5 -1,8 Portior PB 118 -1 Peurgeot SA 200,5 -2,5 Poclain 62,5 -1,8 Radiotech 494 -3 Radiotech 494 -3 Radiotech 494 -3 Radiotech 494 -3 Skis Rossignol 3,005 -7 Telemech Elect 1,350 -8 TALY	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 5.95 China Light 11.6 King Seng Sank 11.6 King Seng Sank 12.6 King Seng Sank 13.6 King Seng Sank 14.3 Jardine Meth 17.5 King Props 2.6 Swire Pac A 2.6 Swire Pac A 16.2 Wheel'k Mard A 1.9 Wheel'k Mrishe 1.76 World Int. Holdgs 1.5 JAPAN Dec, 19 Price Vent 1.10 Alps Electric 2.5 Asahi Chem 600 Asahi Chem 600 Casio Comp 1598 Bridgeston 1.560 Casio Comp 1490 Chuser Pharm 970 Citizen 565 Casi Mipporr Ptg 685 Daiwa House 895 Pull Bank 500 Full Film 565 Full Sank 595 Full Bank 5950 Full Film 565 Full Sank 5950 Full Film 673 Fulltaul 1.290 Green Cross 1.000 Massegawa 463 Halvas Real Est 795 Hitachi 1.790 House Food 885	Tokya Seyle
Nova Alberts 714 718	Verein-West 368 Volkswagen 202_1 -0,5 FRANCE	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 5.95 China Light 11.6 King Seng Sank 11.6 King Seng Sank 12.6 King Seng Sank 13.6 King Seng Sank 14.3 Jardine Meth 17.5 King Props 2.6 Swire Pac A 2.6 Swire Pac A 16.2 Wheel'k Mard A 1.9 Wheel'k Mrishe 1.76 World Int. Holdgs 1.5 JAPAN Dec, 19 Price Vent 1.10 Alps Electric 2.5 Asahi Chem 600 Asahi Chem 600 Casio Comp 1598 Bridgeston 1.560 Casio Comp 1490 Chuser Pharm 970 Citizen 565 Casi Mipporr Ptg 685 Daiwa House 895 Pull Bank 500 Full Film 565 Full Sank 595 Full Bank 5950 Full Film 565 Full Sank 5950 Full Film 673 Fulltaul 1.290 Green Cross 1.000 Massegawa 463 Halvas Real Est 795 Hitachi 1.790 House Food 885	Tokya Style
Nova Alberts 714 718 Nova Alberts 714 718 Numac Oil 1314 13 Oakwood Pet 8 2414 Pan Can. Pet 25 2414 Powar Corp. 1914 1936 Reced Stenhs A 1214 1256 Red Stenhs A 1214 1256 Royal Bank 2318 348 Royal Trusco A 2812 2812 Scaptre Res 5.00 618 Scaptre Res 5.00 618 Scaptram 4514 4514 Stenhs A 1214 1014 Stenhs A 2519 2812 Stenhs A 2519 2812 Stenhs A 2519 2812 Trans Can Pipe 3114 3154 Trans Can Pipe 3114 3154 Walker Hiram 2759 2714 Walker Hiram 2759 2714 Weston' Geo 6412 65 AUSTRIA Prica 65 AUSTRIA Prica 65 AUSTRIA Prica 40 Craditanstalt 210 22 ARBED 1,150 20 Bana Int A Lux 4750 300 +150 Dec 19 Prica 40 +0 Fra -0 ARBED 1,150 20 Bana Int A Lux 4750 -20 Bana Int A Lux 4750 -2	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 5.95 China Light 11.6 King Seng Sank 11.6 King Seng Sank 12.6 King Seng Sank 13.6 King Seng Sank 14.3 Jardine Meth 17.5 King Props 2.6 Swire Pac A 2.6 Swire Pac A 16.2 Wheel'k Mard A 1.9 Wheel'k Mrishe 1.76 World Int. Holdgs 1.5 JAPAN Dec, 19 Price Vent 1.10 Alps Electric 2.5 Asahi Chem 600 Asahi Chem 600 Casio Comp 1598 Bridgeston 1.560 Casio Comp 1490 Chuser Pharm 970 Citizen 565 Casi Mipporr Ptg 685 Daiwa House 895 Pull Bank 500 Full Film 565 Full Sank 595 Full Bank 5950 Full Film 565 Full Sank 5950 Full Film 673 Fulltaul 1.290 Green Cross 1.000 Massegawa 463 Halvas Real Est 795 Hitachi 1.790 House Food 885	Tokya Seyle
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 5.95 China Light 11.6 King Seng Sank 11.6 King Seng Sank 12.6 King Seng Sank 13.6 King Seng Sank 14.3 Jardine Meth 17.5 King Props 2.6 Swire Pac A 2.6 Swire Pac A 16.2 Wheel'k Mard A 1.9 Wheel'k Mrishe 1.76 World Int. Holdgs 1.5 JAPAN Dec, 19 Price Vent 1.10 Alps Electric 2.5 Asahi Chem 600 Asahi Chem 600 Casio Comp 1598 Bridgeston 1.560 Casio Comp 1490 Chuser Pharm 970 Citizen 565 Casi Mipporr Ptg 685 Daiwa House 895 Pull Bank 500 Full Film 565 Full Sank 595 Full Bank 5950 Full Film 565 Full Sank 5950 Full Film 673 Fulltaul 1.290 Green Cross 1.000 Massegawa 463 Halvas Real Est 795 Hitachi 1.790 House Food 885	Tokys Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0.5 FRANCE	Swedish Match 190	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 5.95 China Light 11.6 Hing Ling Devel 11.6 Hing Seng Sank 8.7 Hik Electric 2.8 Hik Keovison Wh 14.3 Jardine Math 11.3 Jardine Math 11.3 Jardine Math 11.3 Hew World Dev 9.7 Chent Orass 2.87 Orana Trust Sk 2.7 Orana Trust Sk 2.7 Orana Trust Sk 2.7 Skil Props 1.78 Wheel'k Mard A 1.9 Wheel'k Mrisha 1.78 Wheel'k Mrisha 1.78 World Int. Holdgs 1.5 JAPAN Dec, 19 Price 4 Wheel'k Mrisha 2.96 Asiah Chem 600 Asiah Glass 690 Asiah Glass 690 Caloo Comp 1598 Gridgeston 1.560 Calo Comp 1598 Gridgeston 1.560 Calo Comp 1990 Gridgeston 1.560 Calo Comp 1990 Gridgeston 1.590 Gridge	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 5.95 China Light 11.6 Hing Ling Devel 11.6 Hing Seng Sank 8.7 Hik Electric 2.8 Hik Keovison Wh 14.3 Jardine Math 11.3 Jardine Math 11.3 Jardine Math 11.3 Hew World Dev 9.7 Chent Orass 2.87 Orana Trust Sk 2.7 Orana Trust Sk 2.7 Orana Trust Sk 2.7 Skil Props 1.78 Wheel'k Mard A 1.9 Wheel'k Mrisha 1.78 Wheel'k Mrisha 1.78 World Int. Holdgs 1.5 JAPAN Dec, 19 Price 4 Wheel'k Mrisha 2.96 Asiah Chem 600 Asiah Glass 690 Asiah Glass 690 Caloo Comp 1598 Gridgeston 1.560 Calo Comp 1598 Gridgeston 1.560 Calo Comp 1990 Gridgeston 1.560 Calo Comp 1990 Gridgeston 1.590 Gridge	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0.5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 5.95 China Light 11.6 Hing Ling Devel 11.6 Hing Seng Sank 8.7 Hik Electric 2.8 Hik Keovison Wh 14.3 Jardine Math 11.3 Jardine Math 11.3 Jardine Math 11.3 Hew World Dev 9.7 Chent Orass 2.87 Orana Trust Sk 2.7 Orana Trust Sk 2.7 Orana Trust Sk 2.7 Skil Props 1.78 Wheel'k Mard A 1.9 Wheel'k Mrisha 1.78 Wheel'k Mrisha 1.78 World Int. Holdgs 1.5 JAPAN Dec, 19 Price 4 Wheel'k Mrisha 2.96 Asiah Chem 600 Asiah Glass 690 Asiah Glass 690 Caloo Comp 1598 Gridgeston 1.560 Calo Comp 1598 Gridgeston 1.560 Calo Comp 1990 Gridgeston 1.560 Calo Comp 1990 Gridgeston 1.590 Gridge	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 190	Bank East Asia 19.37 Carriari Invest 0.87 Chetung Kong 1.55 China Light 1.47 Kang Sang Bank 1.47 Kir Keovison Wn 1.43 Kir Keovison Wn 1.43 Kir Halphone 1.43 Jardine Math 11 Kew World Dev. 2.7 SKH Props. 2.47 Orient O'asas 1.7 Swire Fad A. 2.2 Wheel'k Witten 1.73 World Int. Holdgs 1.5 JAPAN Dec. 19 Price 4 Vent 1.40 Alinomoto 1.110 Alps Electric 2.570 Amada 2.42 Wheel'k Witten 1.73 World Int. Holdgs 1.5 JAPAN Dec. 19 Price 4 Vent 1.50 Casio Comp. 1.50 Casio Comp	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 190	Bank East Asia 19.3	Tokya Style
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 190	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Chetting Kong 0.85 China Light 1.47 Rang Light 1.47 Rang Light 8.49 HK Eestric 1.47 HK Kewloon Wh. 1.43 HK Electric 1.49 HK Talephone 1.43 HK Talephone 1.47 SKH Props 2.67 Orient O'asss 1.49 Wheel'k Martin A 1.9 Wheel'k Martin A 1.9 Wheel'k Martin A 1.78 World Int. Holdgs 1.5 JAPAN Deg, 19 Price 4 Wheel'k Martin A 1.9 Wheel'k Martin A 1.9 Wheel'k Martin A 1.78 Hyber'k Martin A 1.78 Again Chem 690 Sald Comp 1.550 Casio Comp 1.550 Casio Comp 1.550 Casio Comp 1.490 Chiugsi Phartin 659 Daled 650 Casio Comp 1.490 Chiugsi Phartin 659 Daled 650 Pull Bank 500 Casio Comp 1.9 Frantic 1.900 House Food 1.900 Hassawa 1.290 Helisawa 673 Fullisu 1.290 House Food 850 Heliva Real Est 623 Hittachi Credit 1.180 House Food 850 House Food 850 House Food 850 Hallon 1.750 House Food 850 HK Talen 1.750 HK Tale	Tokya Seyle
Nova Alberts	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Chetting Kong 0.85 China Light 1.47 Rang Light 8.15 Rang Light 8.16 HK Edebrie 1.47 HK Kewfoon Wh 1.43 HK Helphone 1.43 HK Talephone 1.43 HK Talephone 1.43 HK Talephone 1.43 Jardine Meth 11 New World Dev. 9.7 Orient O'asas 7.8 Skir Props 2.8 Wheel'k Mard A 1.9 Wheel'k Mard A 1.9 Wheel'k Mard A 1.7 World Int. Holdgs 1.5 Jardine 1.5 Almomoto 1.110 Alps Electric 2.570 Amada 9.52 Asahi Chem 400 Asahi Gless 560 Sridgeston 598 Daiwa House 599 Daiwa Rouse 599 Dai	Tokya Style
Nova Alberts 714 718 Nova Alberts 714 718 Numac Oil 1314 13 Oakwood Pet 8 814 Pan Can. Pet 25 2414 Powar Corp. 1914 1916 Reed Stenhs A 1214 1256 Reed Stenhs A 1214 1256 Royal Bank 2318 241 Royal Trusco A 2812 2812 Scaptre Res 5.00 619 Seagram 4514 4514 Stelco 1618 1618 Stelco 259 2918 Teck B 150 2018 Stelco 1618 3812 Toronto Dom Bk 16 1618 Transalta 2112 2156 Trans Can Pipe 3118 3812 Trans Can Pipe 3118 3812 Trans Can Pipe 3118 3812 Trans Can Pipe 5118 3812 Transalta 275 2714 Westcoast Trans 15 Westcoast Trans 15 Westcoast Trans 15 Westcoast Trans 162 65 AUSTRIA Dec 9 Price + or Schij 165 165 ARBED 1,150 20 ARBED 1,150 20 ARBED 1,150 20 Sang Int A Lux 4,750 30 Betaert B 3,500 1,150 Ciment BR 2,050 20 Cockerill 165 1 Delhalze 2,500 50 Electrobe 4,400 90 Fabrique Nat 2,180 53 General 2,996 5 Hoboken 5,210 +30 Intercom 1,85xr 15 Kredietbank 6,110 +30 Pan Hidgs 9,020 30 Petrofina 6,290 100 Soc Gen Bang 5,900 100 Soc Gen Bang 5,470 20 Tractionel 3,400 400 Tractionel 3,400 400	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 190	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 11.5 China Light 11.6 Light 11	Tokya Seyle
Nova Alberts 714 718 Nova Alberts 714 718 Numac Oil 1314 13 Oakwood Pet 8 2414 Pan Can. Pet 25 2714 Ranger Corp. 1914 1914 Ranger Corp. 1914 1348 Reed Stenha A 1214 1248 Ranger Corp. 1349 1348 Royal Bank 2319 2314 Steptre Res 5.00 619 Steaptre Res 5.00	Verein-West 308 Volswagen 202_1 -0.5 FRANCE	Swedish Match 280	Sank East Asia 19.3 Sank East Asia 19.3 Carriar invest 0.87 Cheting Kong 11.5 China Light 11.6 Light 11	Tokya Style
Nova Alberts 714 718 Nova Alberts 714 718 Numac Oil 1314 13 Oakwood Pet 8 814 Pan Can. Pet 25 2414 Power Corp. 1914 1918 Red Corp. 1914 1348 1348 Red Stenha A 1214 1258 Red Stenha A 1214 1258 Royal Bank. 3378 34 Royal Trusco A 2812 2812 Scaptre Rea. 5.00 619 Seagram 4514 4514 4518 Sheli Can Oil 2378 2314 Sheli Can Pipe 5118 318 Toronto Dom Bk 612 65 AUSTRIA	Verein-West 368 Volkswagen 202_1 -0,5	Swedish Match 190	Bank East Asia 19.3 Sarnk East Asia 19.3 Carrian Invest 0.87 Chetting Kong 11.5 Light 11.67 Rang Light 8.1 Rang Light 9.5 Ring Beet 11.67 Rang Light 9.5 Ring Beet 12.6 HK Kewloon Wh. 14.3 HK Telephone 15.6 Swire Pac A 2.6 Wheel'k Marci A 19.6 Wheel'k Marci A 19.7 World Int. Holdgs 1.5 Japan 1.7 Japan 1.	Tokya Seyle

NETHERLANDS

Dec. 19

Electrobel 6,600 +90	Hoff-RochePtCt Hoff-Roche Irid Jacobs Suchard Jalmoli Landis & Gyr Nestle Oer-Buehrie Pirelii Sandoz (Br) Sandoz (PtCts) Sandoz (PtCts) Schindler (PtCts) Swisseir Swisseir Swiss Rank Swiss Reinsco Swiss Reinsco Swiss Volksbk. Union Bank. Winterthur Zurich ins	10,725 36 100		2,34 81: 64: 65: 49: 87: 87: 82:	7 -50 -20 -20 -20 -20 -20 -20 -20 -20 -20 -2	High Hod OK Pro Ren Ren Sag SA S Smi Tom Unit	raded prices.	24 -0 5.16 16.76 20.75 +0 3.3 22.6 14.5 14.5 12.5 24 -1 10.6 +0 5.13 +0 5.13 +0
Indices		AUSTRALIA !	Dec. 1	Dec.	Dec.	Dec.	High 19	83 Low
NEW YORK DOW JONES		All Ord, 11/1/80) Metals & Minis. (1/1/80)		766,0 549,2	755.4 551.8	754.5 555,8	758.4 (18/12) 814.2 (5/9)	487.8 (4) 411.8 (4)
Dec. Dec. Dec. Dec. Dec. Dec. Dec. Dec.	Since C'mpil't	AUSTRIA Gredit Aiktien (2/1/62)	85.39	54.82	54,66	54.57	59.9 (5/6)	48 (16
• Industr'is 1242,17 1258,79 1246,85,1255,88 1261,59 1280,0 1287,20 , 1027,04		BELGIUM Belgian SE (61/12/65) -	184,48	156,87	188,62	155.56	154,48 (19/12)	100.50 (4)
H'me Bnds 69.38 69.41 69.50 89.72 70.05 69.98 77.84 60.85	(28/11/85 (2/7/82)	DENMARK Copenhagen SE (5/1/85)	200_58	189.26	189.82	200_10	204.22 (78/8)	100.00
Transport 590.15 585.76 594.25 694.45 694.45 694.81 612.37 434.24 (2/11) (2/11) (4/1) (612.57 12.32 (22:11/85 (8:7/82) 163.52 10.5	FRANCE CAC General (61/12/82)	148,1		149.5		181,0 (15/12)	96,1 64
TradingVol 0.00-1 81,030 88,300 85,450 38,508 77,340 99,285	(20/4/89) (28/4//42	Ind Tendance (\$1/12/82) }	159,5	169,1	169.0	161.7	168.7 (13/12)	53.0 (5
◆ Day's high 1248.27 (1250.20) low 1231.40 (1231.20)	i !	GERMANY FAZ-Aktien (51/12/58)				514,08	349.3 (2/15)	241.85 (25
	ear ago (Approx)	HONG KONG		·		· — ·	1051_5 (2/12)	717,0 (55
STANDARO AND POORS : 1983	1 Since Cmpilt'n	Hang Seng Benk/81/7/64)	857,25	950,77	169.80	B58.74	7102.64 (21)7)	- B29.08 (4
Dec. Dec. Dec. Dec. Dec. Dec. 15 14 13 12 9 High Low	High Low	ITALY Banca Comm Ital, (1972)	185,48	1 187.86	: 185,76	183.62	214.85 (21/5)	100.45 (10
Indust'ls 182.60 161.64 183.69 185.67 186.69 185.90 184.84 154.95 (10/18) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1) (3/1)	. 194,84 3,52 .:10:10:85 (30:6:52) 172,65 4,40 	Japan** Nikkei-Dow (16/6/49) Tokyo SE New (4/1/88)				, , , ,	1544.25 (12/16) 765.83 (15/12)	7965,18 (9) 874,51 (2)
l thrist' div. viald %	ear ago (Approx	NETHERLANDS ANP-CBS General (1870) ANP-CBS Indust (1978)	147.7	147.1	146.6		148,6 (15/12)	10E 1 (4 85.5 (4
3.78 5.72 5.72 Indust'l P'E ratio 13.33 13.85 14.48	4.73	NORWAY			;		217.65 (10/16)	99.01 (4)
Long Gov. Bond yield : 11.90 11.68 11.49	10,58	Osio SE (4/1:85) SINGAPORE Straits Times (1968)		885.45	,	215,21 361,81	987.82 (76.45)	712,28 (5
N.Y.S.E. ALL COMMON Rises and Dec. 1	Fails 6 Dec. 15 Dec. 14	SOUTH AFRICA Gold (1958) Industrial (1958)	=	(ci		841.1	1096 X (1/2) 048,7 (86,6)	784.8 (UI
Dec. Dec. Dec. Dec issues Traded 1,999	2,002 2,008 475 456	SPAIN SE THIS OF					105.14.195.00	44,59 (1)
93,86 93,53 94,41 95,28 99,63 80 92 Unchanged 468	1,113 1,149 414 410 19 22	Madrid SE (81/12:82)	(e)	119.48		120.44	125;14 (10/11) 1676.95(2:12)	856,18 (5)
New Lows 48	52 39	Jacobson & P. (1/1/58) - SWITZERLAND - SWISSBANKC pn,(51/12:58)				1480,67 379.4	-572.8-5/12)	204.4 (6)
MONTREAL Dec. Dec. Dec. Dec. 16 15 14 13 Nigh	983 Low	WORLD Capital Intl. (1/1/70)			1/3.6	•	185.6718/10)	184,5 (8:
industrial 449.38 440.88 442.98 445.48 489.90 128.91 Combined 423.54 424.18 426.49 429.70 441.28 126.91	\$51.18 (4/1) \$25.12 (4/1)	(**) Saturday Base values of all i	Deserr	ber 10		N LL-I	N (e) YS	. (6)

	FINANCIAL TIMES SUBSCRIPTION	N RAT	ES	_				English Takan agai	redi.	
Please send me	details of your subscription rates and bow to receive	e the Fin	ancial	The	es regi	dacty	red Tele	minings Anglista	ز المناسبة آيان. الريخ المعرف	
Name	Position					(† ; f.,) 	. L. i.	. غېدت		
Сотралу	Tel:			· · ·	Tes	7 .	1			
Address		<u>-</u>								٠ -
Cut out end send to: IM EUROPE: Financial Times (Europe) Ltd., Guigl IN USA; Barbara WARES, Circulation Manager, Fir	lettstrasse 54, D 6000 Frankfurt am Main 1, West Germonw — Yelo nances Trnes, 75 Rocketeler Plaza, New York, NY 10019, USA —	phone Free Toksohone	when 10	6 111 i	500 O -	. Talen	416192		e Tri e Tri e Tri e	



MARKET REPORT

Seasonal considerations affect trade but equity Account Dealing Dates Option "First Declara- Last Account Dealings thous Dealings Day Dec 12 Date 22 Dec 29 Jan 9 Dec 12 Date 22 Dec 29 Jan 9 Dec 12 Jan 13 Jan 23 Jan 16 Jan 26 Jan 27 Feb 6 "New-thre" dealings may take place from 8.30 am two business days garfier. Account Dealing Dates Option Which showed a 0.2 gain of 558.2. The sector did provide 2 number of firm features, however, however, housely Randfontein, which rose in the first from 13 Jan 23 Jan 13 Jan 23 Jan 13 Jan 23 Jan 16 Jan 26 Jan 27 Feb 6 of last week's fall to close 0.30 FINANCIAL TIMES STOCK INDICES FINANCIAL TIMES STOCK INDICES FINANCIAL TIMES STOCK INDICES FINANCIAL TIMES STOCK INDICES

London equity markets started the run up to the Christmas holiday in quietly festive mood yesterday. Most blue chip industrials found genuine investment demand lacking as seasonal influences took greater hold but this failed to stop the Financial Times Industrial Ordinary share index attaining a new all-time peak. Government stocks also passed a fairly inactive session, but quotations improved helped by a more stable pound.

Having had the weekend to digest Friday's disclosure of the property loan losses of its U.S. Subsidiary Crocker National Bank, Midland Bank traded on a steadier note but, at 385p. managed to regain only 7 of Friday's fall of 55. Lloyds, 543p, and Nat-West, 643p, both improved 5, but Barclays closed unchanged at 485p. Among Merchant Banks, renewed selling in the absence of the much-rumoured U.S. bld for the company left Hill Samnel 18 down at 312p. the run up to the Christmas

Sentiment in equities was underpinned by the latest CBI report and its inference that the UK economic recovery will gain momentum during the first quarter of next year. Wall momentum during the first quarter of next year. Wall Street's steadier showing on Friday also induced confidence and, although the volume of business contracted as Christmas festivities increased, leading shares edied higher

The Finnacial Times Industrial Ordinary share index showed a half profits yesterday, held at fresh rise of 1.7 at 10 am and 61p. Wolverhampton and Dudley slowly extended the gain to close remained friendless and shed 8 slowly extended the gain to close 2.8 up on the session at a record 762.1 Bowater provided the base 762.1. Bowater provided the base for the fresh assault on the new peak, closing 10 better at 253p after 256p, on buying fuelled by a week-end Press suggestion that the group is to receive a U.S. rerating and could be high on American investors' New Year lists for the ADR facility.

Elsewhere, the main interest was provided by situation stocks. Yet another bid for an investment trust — Britannic Assurance's agreed offer for Mid-Assurance's agreed offer for Midland Trust—was an early talking point and prompted a jump of 65 in MT's share price to 200p. Quoted stockjobbers, Smith Bros opened sharply higher at 82p in response to last Friday's late announcement that N. M. Rothschild, the merchant bank, is to take a 29.9 per cent stake in the company, but drifted back to close at 77p.

Talk of a U.S. predator entering the battle for Eagle Star lifted the latter's shares to a new peak of 732p before a close of 8 up on balance at 728p. The Harrods bomb outrage at the week-end prompted early caution among Stores but the closing tone was steady-fo-firm with House of was steady-to-firm with House of Fraser higher on the day.

Gilts took heart from sterling, which continued its more stable trend yesterday. Quotations gained ground in thin trading, although dealers kept a watchful eye on events across the Atlantic and the effect on financial mar-kets there of last week's \$5.5bu rise in U.S. money supply. Longer-dated there of last week's \$5.5bn rise in U.S. money sup-ply. Longer-dated stocks recorded

Home Banks steadier

Having had the weekend to

Investors dsiplayed renewed confidence in Grand Metropolitan, which rallied 10 to 348p in anticipation of excellent preliminary results on Thursday. Other major Breweries made small headway in quiet trading, but regional counters were out of favour again. Further consideration of last Friday's interim statements clipped 4 more from Greene King, 1560, and 15 from Mansfield, 407p. Martstons, which revealed slightly increased firstmore to 220n. Wines and Spirits made a brighter showing than of late. small buving lifting Arthur Bell 4 to 134p.

Brickmakers passed a much ouleter session after Friday's excitement engendered by Hanson Trust's 120p cash bid for London Brick: the latter traded steadily awaiting further bid developments to close unchanged at 1350, after 133p. Other brickmakers usually held Friday's sharp gains. Contracting and makers usually held Friday's sharp gains. Contracting and Constructionis sueslo eb.tu9h Construction issues looked a little ragged, AMEC shedding 3 to a low for the year of 1890 on Jack of interest. Barratt Developments slipped to 162p before picking up on cheap buying to close just 2 cheaper on balance at 166p. Marchweil resisted the trend and firmed 6 to 180p. the trend and firmed 6 to 180p. Elsewhere, Burnett and Hallam-shire remained out of favour and shed 13 to a 1983 low of 1250, while small selling in an

325p following reports of an explosion of the company's Humberside plant at the weekend.

Vorkshire Chemicals gave up 6

to 68p on a broker's graded profit estimates.

	Dec. 19	Dec. 16	Dec. 15	Dec. 14	Dec. 13	Dec. 12	yéar ago
Government Secs	82,64	82.34	82,26	82,30	82,43	82,51	78,85
Fixed Interest	85,96	B5.86	85.61	85.83	85.92	85,90	80,99
industrial Ord	762.1	759,3	752,8	751,1	750,6	753.7	591,2
Gold Mines	558.2	558,0	570,5	577,5	584,3	573,1	508,4
Ord. Div. Yield	4.62	4.63	4,65	4.65	4.56	4.64	5,06
Earnings, Yld.% (full)	9,43	9.45	9,51	9.53	9,54	9.50	10.89
P/E Ratio (net) (")	12.94	12,92	12,83	12,81	12.79	12,85	11.03
Total bargains,	19,280	22,411	19,828	19,982	20,855	21,030	19,534
Equity turnover £m.	_	225.96	255.BB	169,00	209,13	254,14	130.2
Equity bargains	_	15,347	16,430	15,413	16,656	18,250	14,761
Shares traded (ml)	_	144,9	150.0	109.7	129.6	147,8	97,5

2 pm 761.2. 3 pm 761.0. Sesis 100 Govt. Secs. 18/1/28. Fixed Int. 1928. Industrial 1/7/35. Mines 12/1/58. SE Activity 1974. † Corrections. Latest Index 01-248 8028.

HIGHS AND LOWS S.E.	ACTIVITY
---------------------	-----------------

i	19	1983 Since Compilet's		í 1	Dec.	Dec.	
	High	r Low	High	Low	Íl	16	15
Govt. Secs Fixed Int	83.70 11/11/ 86.41 (7/12) 762.1	77.00 (24·1) 79.03 (1/2) 598.4	127,4 (9)1/55) 150,4 (28/11/47) 762,1	1 00 0	Daily Gilt Edged Bargains Equities Bargains Value 5 day Avrge	149.2 99.4 485.5	106.5
Gold Mines	(19:12) 734.7 (16:2)	(12;1) 444.6 (1;11)	(19,12,65) 734.7 (15,2,88)	(28/6/40) 43.5	Gilt-Édged Bargains Equities Bargains Value	160.1 106.4 458.4	116.8

confidence in major Stores.
It House of Fraser were marked down initially, but soon recovered to finish a net 6 dearer at 230p amid unconfirmed rumours of a share stake changing hands. British Home hardened a couple of pence to 229p, while Gussies A gained 3 to a 1983 peak of 618p. Debenhams at 21cted option business in the wake of weekend comment concerning its Welbeck finance arm and closed 3 better at 153p. Movements of note among secondary issues were rare, atthough Time Products responded to revived speculative support and early at 150p.

Movements of note among secondary issues were rare, atthough Time Products responded to revived speculative support and early at 150p.

Movements of note among secondary issues were rare, atthough Time Products responded to revived speculative support and early at 150p.

Movements of note among the dearer at 92p, were also seen in Freming were also seen in Freming Japanese B, 407p, and Crescent quietly, although Midland Trust Japan, 675p. Other Trusts traded provided an early burst of avcitage in the heavier annual loss, while preliminary results from J.

Leading Food Retailers to the dearer at 450p.

Stockjobers Smith Brothers from the taboro, at 150p. M. M. Rothschild will take a part of the preliminary results from J.

Leading Food Retailers to the deal whereby merchant banker may bury firmed 5 to 485p and Tesco to finish only a net penny better at 22p. to revived speculative support and gained 21 to 25p.

Buying in front of today's halfyear results left Belgrave (Black-heath) sharply higher at 105p, up 17, but disappointing preliminary gains ranging to §, but shorter to 68p on a broker's down-maturities were only around § graded profit estimates.

The FT Government The London bombing failed to the Engineering sector, weekend Press mention stimulated occa-

Leading Food Retailers attracted fresh demand on Christmas spending hopes. J. Sainsbury firmed 5 to 485p and Tesco hardened 3 to 169p, while Argyll, reflecting buying late last Friday, added 2 at 141p. Elsewhere, turkey producer Bernard Matthews goined 5 to 160p in a thin market, while recently-dull J. E.

end Press mention, leading Miscellaneous Industrials traded quietly. Secondary issues, in contrast, provided the octasional feature. Belylair were outstanding at 710p on revived speculative demand in an extremely thin market. AIM responded afresh to a "chart buy's signal with a further gain of 6 to 81p, while the good interim results left Syltone 16 higher at 140p. Halma, also reflecting half-year figures, improved 6 to 132p. Disappointing mid-term profits, however, prompted a fall of 6 to 143p in Norcros. Jacksons Borne End were noteworthy for a rise of 10 to 215p. while rises of 8 were achieved by Extel, 420p, and Diploma, 445p. Smiths Industries continued to make progress and edged up 5 more to a peak while United Gauarantee, an old take-over chestnut, improved 2½ to 43pp. Metamec Jentique, the sponse to Press comment. Deal-

mention. Newspaper suggestions of a possible bid for the company from Aspinall Holdings failed to inspire Trident TV A, which lost the turn at 118p; Aspinall held at 130p.

Truck manufacturers ERF

Smaller-priced issues domina-ted Textiles. Favourable con-ment prompted gains of around 3 in A. J. Worthington, 41p. and Victoria Carpet, 22p. Stoddard A also rose 3, to 16p in front of

today's interim results. Far-Eastern Investment Trusts reacted to the dippointing show-ing in the Japanese elections of Mr Yasuhiro Nakasone's incum-bent Liberal Democratic Party.

N. M. Rothschild will take a
29.9 per cent stake, but reacted
to finish only a net penny better
at 77p. Elsewhere in Financials,
Mercantile House attracted late

And Call

and sind 13 to a 1805 low of 1250, while small seling in an 2 gained 2½ to 250.

In the same amount down at 2850, the same after 4220; the interim results were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around for Bio-Isolates, up to 515 to 1600 in a thin market, while recently-dull J. E. England rallied 4 to 230, Buyers were around revived bid speculation and rose to 172p prior to ending 4 dearer on balance at 170n. Elsewhere

a couple of penuce to 247p in response to Press comment. Dealings were suspended in Airship major European dealing centres, Industries at 93p pending an announcement in connection with a trated by the Gold Mines index

8 21.50

5 | 18 | 78 | 88 | 149

0.70 1.20 1.20 12.20 12.20 12.20 12.20 12.30 127 52 7 20 109

Ç≕Çali

\$ 375,60

EUROPEAN OPTIONS EXCHANGE

0.50 2.60 A 8.50 1.50 0.30

B=Bid

TOTAL VOLUME IN CONTRACTS: 14,538

A=Ask

pany. News of the £425,000 sponsor-

News of the £425,000 sponsorship deal with Holstein helped Tottenham Hotspur improve 3 to 87p. Elsewhere in the Liesure Sector, Juliana's met with fresh support and firmed 5 to a 1983 peak of 405p, while Associated Leisure hardened a couple of pence to 102p following Press pence to 102p following pence interior interior results in line with market estimates.

of a possible bid for the company from Aspinall Holdings failed to inspire Trident TV A, which lost the turn at 116p; Aspinall held at 130p.

Truck manufacteurers E.R.F. improved 3 more to 45p ahead of tomorrow's half-timer. Elsewhere in tacklustre Motor sectors, Lucas rallied a few pence to 163p, while scattered support lifted Armstrong Equipment a similar amount at 231p.

Properties contributed little to the day's proceedings, but the leaders still managed small gains. Land Securitles hardened 3 to 259p and MEPC 4 to 256p, while British Land, awaiting today's half-timer, firmed 21 to 1001p.

The more speculative Gold issues also staged a good raily after an initial sell-off. Recent favourite Southern Resources fell away to 95p before recovering to close unchanged at 102p, while Whim Creek were similarly unaltered at 180p, after 174p.

Quiet conditions continued to

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (72)

STORES (4) Simpson (5.) A Time Pro ELECTRICALS (7)

Petrofina
OVERSEAS TRADERS (1)
Ge Northern Tel. GE Northern Tel.
PLANTATIONS (2)
Cons. Plants.
MINES (2)
Cons. Murchison Tea Expirts.

CEISURE (2)

Perry (H,1 Nova (Jersey) Kod OHS (3) New Court Nat. Amer. Oil Fields KCA Drilling

lowing interim results in line

prevail in Traded Options, Total contracts struck amounted to a meagre 1.085, comprising 635 calls and 450 puts, Last week's daily average was 2,033.

FOREIGN BONDS (1)
Japan Spc '83-88
AMERICANS (2)
Campbell Soup 1.U. Int.
CANADIANS (1)

Alexanders Discount Union Alexanders Discount Union Mark Nat. Finance EURLDINGS (2)
May & Hassell Nortingham Brick
CHEMICALS (3)
British Tar

INSURANCE (4) eko Hambro Life Willis Faber LEISURE (1)

NEW LOWS (26)

For rate indications see end of Share Information Service. Stocks favoured for the call included BOC. Cable and Wireless new, Bowater, Debenhams, Marchwiel, Aran Energy, Sound Diffusion, Tootal, F. H. Tompkins, Barker and Dobson, Burnett and Hallamshire, Five Oaks, Sumrie Clothes, W. E. Norton, London Brick, Trident TV A. Geers Gross, A. J. Worthington, GKN, London and Liverpool and Emray. A put was done in London and Liverpool, while

FIXED INTEREST STOCKS

RECENT ISSUES=

EQUITIES

Drice price		214		;	Stock	losing Fice A	+_0
		<u>-~</u>	High Lo	w		02	
2 100	· Nil	. 2.1	20pm 17	den j	Arien Elect. 1134% Cnv. Ln. 1990 Bristol Waterworks 6,5% Red, Prf. 1988	20pm	
99	1.10	:	101-11	91.	oine Valley Water 6 . Red. Pri. 90, .	7.0	i
	F.F.	: 9.2	128 111	5 0		127	
99.15	125	;	25 4 2	4 %		2614	'-i.
	i F.P.	• - :	103 : 10)ı .	sternal Inv. 8; Cnv, Ln. 2003 DB,	105	
	I F.P.	, 6.1 j	114p. 9	es f	isher (A.) 7; Snv. Prf.	1140	- 3
100	F.P.	27/1	91 i g	30 0	en. Finance N.V 11.517 Ln. 2007	MAIL	
99,714			:325a¦ 3	50 J	nt. Bk. for Rec. & Dev. 11,5 ; Ln. 3003	51	
97.266			2975, 2	?5 JI	reland 124% 2008	20	
\$100p	F.P.	9/17	114p; 10	Юр <u>"</u> L	ASMO 9 4 Cum Red Prof	103put	٠
			46 ' 3	10 is t	on. Shop Prop. Opc Cav. 94 99 Ser II.,	4.3	-1
410D	TIO	; - ;	12 3	10-14	Aid Kent Wtr. 12pc. Red Deb. 1995	12	:
_	F.P.	; - ;	100 k 9	99 a N	fationwide 10 : I, Bds. 8-10 84.	9:1:	i
	! <u>F.P</u> .	!	100 ,	19 : n.	Do. 104 Bds. 5.11 84	90.	
_	F.P.	; - ;	100 . 9	9.,	Do. 101, : Bds. 3-12-84	. ec	
	F.P.	i '	700 70	~·	DO: 10171 BOX 24 12 D4	100 .	
99,44 99,893				224	lueene Moat 12: 1st Mort. Deb. 2015		
100		3:2		20.4	pain 12; Ln, 1988.	29	+ p1
(100		3.2	1212 1	i	und ld + S.ShieldsWtrb pcRPF, 1989	L. I	
	110	! = !		10-1	end. Hundred Wtr. 12pc Red Deb 1995	124	4 '1
- 88.5					Vest Kent Wir. 6.25pc Red Prof. 1988		

"RIGHTS" OFFERS

issue price		Re	test nunc. ate	19 High	83 Low	Stock	Closing	, + o
345	1							
345	Ne			85pm	49pm;	- Air Call	85gm	
25 62 100	E-P- ;	_	16/12			Barget		· – 5
62	F.P.	_	15,1			Charterhal. 5p	67	!
100	F.P.	_	15/12		115	Heywood Williams	123	
25	F.P.	_	30:12	36	28	Manson Fin. 10p	34	
300	Nil	_	_	50pm	43 pm	+McCarthy & Stone 20p	43pm	-4
25	F.P.		15/12	30	28	Phicom 10p	30	•
95	. NII		16.1			Pincapple Dance 10p	100	· · · · · ·
C\$1456		_		14pm		Toronto Dom, Bk	10pm	
85	F.P.	_	4/1	107	90	Ward White	103	
	• • • • • • •		21.11	174		Western Mining Options	:=:	
	11.1	_	Melts			TOPICI I MINING UDITORS	414	٠

Renunciation data usually last day for dealing free of stamp dety, 5 Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. a Forecast dividend cover based on provious year's semings. F Dividend and yield based on prospectus or other official estimates for 1983. 4. Q Gross. † Cover ellows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. Figures or report swated. § Placing price. p Pence unless otherwise indicated. § Issued by sader. ¶ Offered to holders of ordinary shares as a "rights." "Issued by way of capitalization. §§ Relateduced. It issued in connection with reorganization merger or take.over. (or fully-paid). Provisional or parity-paid allocates. \$ With weights. It issued by the capitalization. §§ Relateduced. It issued to former preference holders. Maltoment latters. † With weights. It is the price effects some price preference holders. Maltoment latters than the price effet some. Forecastly deet to under report in the Constrain.

RISES AND FALLS

YESTERDA	Y		
	Rises	Falls	Same
British Funds	71	7	29
Corpns. Dom. and			
Foreign Bonds	13	4	59
Industrials	276	187	942
Financial and Prop.	90	77	358
Oits	17	41	67
Plantations	6	_	14
Mines	32	73	64
Others	53	50	79
Tetale -	EEO		

OPTIONS

Deal- Declara- Settleings lugs tion ment Dec 19 Jan 6 Mar 22 April 2 Jan 9 Jan 20 April 2 April 16 Jan 23 Feb 3 April 26 May 8

doubles were transacted in **ACTIVE STOCKS**

Cons Gold Field ... 4
Eagle Star ... 5
Grand Met. ... Haima ... Hidi Samuel ... Maynarda ... Morcros ... Whessoe Whessoe

FRIDAY'S

ACTIVE STOCKS

LONDON TRADED OPTIONS Jan. Apr. July Jan. Apr. July Feb. May Aug. Feb. May Aug.

in London and Liverpool, while

		I	-1							1	1			.)	-	
	B.P. (*393)	360 390 420 460	38 14 5 1	28 16 9	56 24 12	3 8 32 70	2D 42 80	26 48 82	(250)	240 260 280 300 330	28 18 10 3	38 27 18 10	45 25	10 22 42 57 85	18 30 47 62 87	35 50 —
	Cons. Gold (*487)	460 500 550 600 650	45 18 7 11,	60 43 27 10 4	80 57 30	32 70 117 167	20 45 60 120 170	28 57 87	Lonrho (*106)	360 390 90	112 012 1712 8	20 11	1 23	<u>-</u> }	1 2 5 10	<u> 二</u> 音い
	Courtaulds (*125)	76 86 90 96 100	50 40 30	38 30	42	1 1	= 1		P. & O. ("237)	190 200 220 240 260	62 44 26 12 5	52 37 24 15	71; — — 36 25	110 2 3 5 14 28	11 4 8 18 31	13 _ 21 33
ı		110 120 130	17 8	21 13 8	25 17 13	4	10	12	Racel (*207)	180 200 220 230	34 18 8	42 26 16	50 34 24	2 9 20	13 24	7 16 28
l	Com. Union (*188)	140 160 180 200	49 29 121 ₁	52 35 17 7	56 38 20 9	2 17 17	5 9 28	5 13 25	R.T.Z.	250 275 483	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5] <u>=</u>	<u> </u>	} <u>=</u> .	<u> </u>
	G.F.C. (*178)	160 180 200 220 240 260	2000111	32 20 11 5 2	42 25 16 8	10 25 44 —	13 27 44 —	8 16 28 44 -	(*589)	500 533 550 583 600 600 700	102 77 65 40 28 10	80 47 25	90 57	15 15 22 33 67	27 27 47 72	35 57
١	Grand Met. (*845)	300 330 360 390	50 25 7	55 83 16 4	62 42 25 —	11 ₂ 5 23 48	5 14 80 53	9 20 35	Vaai Roofs (*\$106)	90 100 110 120 130	1718 11 612 3	20 14 9½ 6½	23 16 11 :	4 8 14 21 28	1012 16 23 31	1312 18
I	J.C.L (*646)	460 500	250 190 150	154] = ;	112 2 2	=	=	<u> </u>	140	1 1	14			PUTS	
l	ļ	550 600 650	100 52 141 ₂	104 62 30	114 74 44	2 4 20	5 14 32	9 18 42	Option	 	Dec.	Mar.	June	Dec.	Mar.	June
l	Land Secur. (*259)	214 236 240 257 260 280	48 25 22 12 11	55 33 30 20 19	63 41 38 29 27 15	10 10 12	2 6 8 14 16	5 8 11 18 20	Beecham (*320)	300 330 355 385 415	20 2 11 ₉ 1	37 15 4 2	43 20 -	15 40 —	7 23 45 72	30
j	Marks & Sp.	180	40	45	19	25	28	31	(*303)	300 330	6	15	27 10	30 30	12 38	16 45
	(*220) Shell Trans.	200 220 460	21 4 108	26	29 15	6 1 1	11	14	De Beers (8*725)	700 750 800 850	33 2 2	57 32 17 7	75 48 52	32 80 180	28 57 92 136	38 67 102 140
l	(*560)	500 550 600 650	68 28 4 11 ₂	78 42 16 5	86 50 26	21 ₂ 12 50 94	11 22 56 96	30 60	Guest Keen (*171)	135 155 160	58 18	- 5 23		11 ₂	- 6	- 11
ł			_	ALLS	_		UTS			175 180	1,5	12	15	6	17	21
I			ı—		·—	⊢–	I	ı—		י ממצי	1 1	4	_ '	30	اضقا	
	Option		Feb.	May	Aug.	Feb.	Мау	Aug.	Hanson	220	58 18	44	52	1	30	ь
	Option Barclays (*487)	420 460 500 550	ı—		Aug. 62 40	Feb. 3 11 28	6 18 42 77	Aug. 22 47	Hanson (*257)				52 36 25 17 22	30 1 2 8 -	3 6 17 33	<u> </u>

Dec. 19. Total Contracts 1,085 Dalls 635. Puts 450.

**Underlying ecounity price

FT-ACTUARIES SHARE INDICES and the Faculty of Actuaries

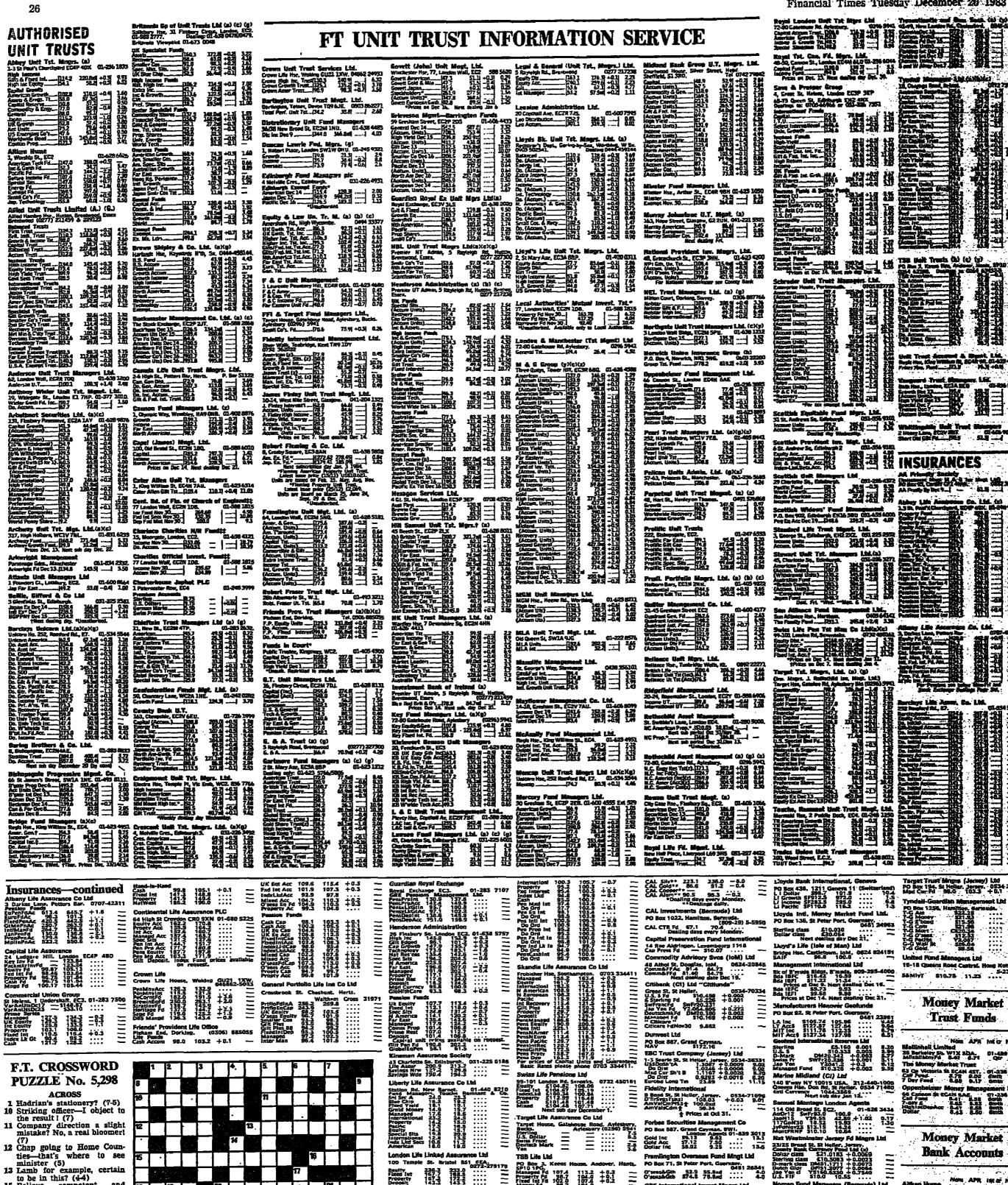
	EQUITY GROUPS		Mon i	Dec 19	9 1983	3	Frf Dec 16	Thur Dec 15	Wed Dec 14	Tues Dec 13	Year ago (appro
Ag	& SUB-SECTIONS ores in parentheses show number of stocks per section	Index No.	Day's Change	Est. Earnings Yield % (Max.)	Grass Div. Yield % (ACT at 30%)	Est. PIE Ratio (Net)	Index No.	Index No.	index No.	Index No.	indes No.
7	CAPITAL 90005 (203)	461.06	-01	9.23	3.87	13.98	461.68	460.67	457.92	444.28	424.2
2	Building Materials (24)	445,71	-0.4	10.98	4.78	11.35	47.48	442.94	443.89	444.98	395.4
3	Contracting, Construction (30)	660.73	-83	14.27	5.42	8.74	692.57	665.42	666.68	671.33	728.2
4	Electricals (38)	1635.17	-0.1	8.42	2.46	15.63	1637.49	1635.46	1617.86	1634.00	1668.0
5	Engineering, Contractors (10)	442.34	+17	13.13	632	9.72 19.75	437.32 208.28	483,74 288,73	433.85 206.74	494.61	193.7
6	Mechanical Engineering (59)	206.63	+83	111.5	549	1131	172.65	170.11	169.22	168.53	145.2
8	Metals and Metal Forming (9)	173.57	+0.4	18.75 1.48	6.76 4.56	1 44.24	11825	13831	118.31	117.68	752
9	Motors (17)	579.46	-0.7	5.23	3.74	2535	11110	483.86	663.26	606.53	352
9	COMSUMER GROUP (197)	455.77	+06	10.48	439	11.66	453.04	453.50	E4.22	454.48	390
2	Brevers and Distillers (23)	443.38	+0.9	13.26	5.29	9.48	439.24	4011	40.48	447.54	461.6
5	Food Manufacturing (22)	358.85	+0.4	12.94	5.69	9.03	357.60	352.51	368.35	359.72	30.9
5	Food Retailing (13)	1853.50	+12	7.67	2.68	16.73	19(1.31	1801.77	1949.29	1854.41	862.6
7	Health and Household Products (9)	722.97	+8.2	6.51	3.04	18.05	721.67	722.39	724.27	718.71	677.9
9	Leisure (23)	599.06	-0.1	8.46	4.56	15.26	599.78	991.55	975I	5%.75	451.
2	Neverpapers, Publishing (15)	1857.96	+0.8	8.37	4.60	14.35	3029.58	1936.07	1613.50	1001.25	609
3	Packaging and Paper (14)	215.93	+1.1	11.05	4.66	11.25	233.49	212.29	212.73	Z11.77	1403
4	Stores (47)	427.91	+0.4	7.91	361	17.62	486.03	425.71	425.46	428.06	376.2
5	Textiles (20)	249.98	+0.4	12.65	4.75	9.61	249.18	247.69	26.62	26.72	169.
6	Tobaccos (3)	464.92	+15	234	6.85	525	459.00	468.97	462% 445.IR	458.61 446.18	447
9	Other Consumer (8)	441.75	+0.3	10.53	5.72 4.19	15.80	448.13 428.31	446.91 426.07	408.19	44678	321.9 286.2
1	OTHER GROUPS (84)	439.75 628.84	-41 -03	7.98 7.04	4.06	18.86	436.55	628.92	627.59	620.73	174
2	Chemicals (16)	173.65	-83	451	4.55	14.64	113.33	113.42	189.34	110.39	89.7
• 1	Office Equipment (6)	793.89	-85	2.00	511	26.90	797.97	798.19	717.71	784.75	201
5	Shipping and Transport (3.4) Miscellaneous (46)	222.22	+01	1.00	4.86	23.49	528.26	528.79	528.05	528.64	112
5	HIGHERTELAL GROUP (404)	457.37	+0.2	9,67	419	12.98	454.66	65.95	455.10	455,79	70.9
		914.69	-83	1222	6.48	9.94	91732	921.60	900.61	919.65	70.
Ц	QU _S (16)	495.40	+82	10.08	4.55	12.32	494.59	494.B6	493.86	491.55	419
2	500 SNARE HIDEX			201.00	529	_	14.12	348.74	96230	368.76	20
	FINANCIAL SROUP (123)	35.74	+84	23.24	6.93	4.67	34.93	378.25	30011	375.97	281.
2	Banic(6)	349.57	+0.7	, ,	7.89	4.67	30.00 30.00	30.44	30.44	339.57	25
3	Discount Houses (8)	345.78	-82	- 1	4.45		596.56	585.60	585.95	518.33	
5	Insurance (Life) (9)	515.46 253.63	+05		45		252.50	253.59	24%	2513	176.5
١.	Insurance (Composite) (IO)	645.34	1 7 7 1	10.60	456	12.91	66.6	654.01	656.61	647.38	496.
7	Insurance Brokers (7)	227.52	-10	10.60	4.06		223.51	230.90	227.85	223.18	152.9
3	Merchant Banks (12)	522.51	+8.6	5.75	3.72	23.25	519.5%	526.39	528.63	529.28	462
9 :	Property (53)	263.44		19.54	5.20	11.44	259.29	260.04	256.82	27.28	183.3
1	Other Financial (18)		. +0.8			<u> </u>	Ø9.65	447	46936	4471	161.4
L	(avestment Trasts (108)	470.15	-61	153	3.80 5.27	12.88	27L32	274.95	274.35	200.00	227.6
L	Mining Florance (4) Overseas Traders (15)	276.78	+2.0		52/ 756	18.45	45.8	柳龙	49.55	4134	376.0
LΙ	Overseas Traders (15)	495.68		7.73							
П	ALL-SHARE INDEX (750)	463.52	+0.2	- 1	4.68	!	102.95	40.45	#3ZL	463.50	379.£
FIXED INTEREST				T	AVERAGE BROSS			\top	Mon Dec	Fri Dec	Yes

Name 10 10 10 10 10 10 10 1	f	XED	(NTE	REST		_	REDEA	Mon Dec 19	Fri Dec 16	Year aga (approxi)	
Bellish Government 117.40 +0.12 117.26 11.22 5 5 5 5 5 5 5 5 5	PRICE INDICES	Dec	change	Dec		1983	1 Low	5 years	19.57	20.10	909.80 10.75 10.67
5 All Shorts 129.32 +8.35 129.20 6.33 13.39 11 Babs & Lames 5 years 11.62 11.63 12.51	2 515 years	130.95 139.74	+0.4% +0.5%	130.79 139.78	672 672	15.75	5 Coupon 6 7 High Coupon 9	\$ years	11.63 14.76 10.14 11.17 10.87 10.24	11.89 10.78 10.21 11.22 10.94 16.51	19.65 19.69 11.15 11.76 11.89 11.34 18.76
	5 All Stocks	129.32			4.35	23.50	11 Deks 4	Laws 5 years	11.62 11.62	1163	

sent changes are published in Saturday issues. A list of co

عَلَدُ امند لِأَصِلَ

our international edition as well as our London edition and if you should require any further information on the above, please contact your usual Financial Times representative



(7) 12 Chap going to Home Coun-

ties—that's where to see minister (5) minister (5)
13 Lamb for example, certain to be in this? (4-4)
15 Believe competent and trustworthy (10)
'16 13's first half substitute players (4)
18 Ruth discovers concealed

danger at journey's end (4)
20 Assembly apprentice or local
administrator (10)

22 Loyal girl almost replete (8)
24 To be truthful, it's not quite

calm (5)
26 Landlord perhaps is the final winner (7)
27 Share a person's destiny (7)
28 Given an orchid, female may put her foot in it (5-7)

DOWN

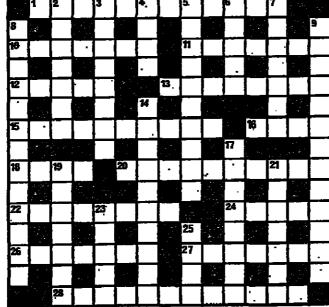
performance (7)
3 Coteries somehow abstruse

4 Duck on the German river

(4) 5 No scabs, but it may prevent

your working! (64) 6 Some cope with flighty type

7 Free issue (7)



9 Drug dealer may pass you on the road (5, 8) 14 Acts cunningly for tactical

2 Initially, Prime Minister's performance (7)

Abstruct

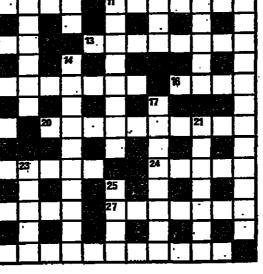
The initially prime Minister's exercises (10)

The initially prime Minister's exercise (10)

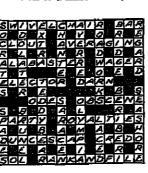
The initial exercise (10) 19 Four in test of little importance (7)

21 Christmas rising in East inspiring kind of Latin verse (7)

23 What Edison invented, some characters detested (5) 8 Someone else's beverage 25 Drink up love, you're a gem! unsuitable? (3, 2, 3, 2, 3) (4)



Solution to Puzzle No. 5,297



Top length of the state of the Moneywise Friendly Society 80 Holdenhurst Rd. Bournemouth. Mnywise Int. 49.5 52.7 0202 295678 Municipal Life Assurance Ltd 99 Sundling Rd. Majdstone. 0622 879351 Equity Fd 99.0 105.0 — Managed Fd 105.0 112.0 — Premium Life Assurance Co Ltd

East-hestor House. Hervierds Heath.

Nat Rec'es 193.0 199.0 1944 458721

Nat Rec'es 195.0 199.0 ...

UK Enubry 196.0 147.0 ...

Intl Enubry 127.0 124.0 ...

Jarrets Fd 91.0 96.0 ... Prudential Pensions Ltd

American i 8.0 London Life Linked Assurance Lto 100 Temple St. Bristol B51 6EA-279179 SF Fixed Int 100 Temple St. Bristol B51 6EA-279179 SF Fixed Int 167-2 172-2 Property 167-2 172-2 Property 167-2 172-2 Property 197-5 193-5 197-5 Property 197-5 197 TSB Lite Ltd Windsor Life Assurance Co Ltd Royal Albert Has. Sheet St. Windsor N Amer Fd 207 A 216.3 Fet Assign 85.043 91.089 Ret Ass Pen 95.400 140.7

> Offshore & Overseas--continued

ids Investment Fund SA 37 rue Notre Dame, Losembirg. Tel 4797; Actioneds in — 519.98 Actibones to 519.88 ... Guinness Mahon Intt Fund (Guernsey)

Alliance Capital Management Int Inc.

62/63 Queen St. London EC4. 01-248 8881

Alliance International Delter Reserves

Distribution Det 1-13 (0.003051)

Healthc/Dec14 St. 48 ... St. 48 ... St. 20.375 0.004 ...

Tech lony Dec14 St. 38 ... St. 20.375 0.004 ...

Tech lony Dec14 St. 38 ... St. 20.375 0.004 ...

Tech lony Dec14 St. 38 ... St. 20.375 0.004 ...

Tech lony Dec14 St. 38 ... St. 38 ... St. 20.375 0.004 ...

Tech lony Dec14 St. 38 ... Prodential Pensions Ltd

Helborn Bars, EC1 2NH.

Pro-Link Retherment Place
Managed Fd 149.3 155.9

Cash Fund 119.5 119.7

St George Assurance Co Ltd

The Priory, Hitchin, Herts.
Managed Fd 103.2 109.7

Linkersal Fd 103.2 109.7

Save & Prosper Group

4 Gt St Helens, London EC3P 3EP.

Gell Penfor 189.8 200.5 4 0.4

Gli Penfor 189.8 200.5 4 0.4

Gli Penfor 189.8 200.5 5 0.5

Gli Penfor 189.8 200.5 63.0 0.5

Gli Penfor 189.8 200.5 0.5

Gli Penfor 189.8 200.5 0.5

Gli Penfor 18 Lazard Brothers & Co (Jersey) Ltd

**O Box 108, St Heller, Jersey, Ct.

**OF54 37361

CpG8d \$1368.16 1384.80 - 1.40 17.3

Laisfare \$14.71 19.65 ... 1.60

D'act 8d \$10.27 10.31 ... 6.3

N Am Fd \$10.58 11.26 ... Institution CAL Investments (IoM) Ltd
bergh. 031-556 9181 18 St Georges St Douglas IoM. 0624 20231
102.5 -0.2 - CAL Cac 85.7 88.1 +0.3 103.5 +0.1 - CAL Metals 94.8 98.8 +0.3 -

Forbes Securities Americagements VPO Box 887. Grand Cayneta. 8W1.
London Agents 01-839 3013
Gold Inc. 59.13 9.62 13.5
Gold Acc 57.12 7.50 ... -Dollar Inc. 58.92 9.25 ... 13.5 Premitington Overseas Fittro wings
PO Box 71, St Peter Port, Guernsov.
0481 25841
52.9 55.8xd 4.0 O'seas&Gth \$2.9 55.5xd O'seas&Gth \$74.8 78.5xd GRE International Invest Mingra Ltd PO Box 194, St Heller, Jersey. 0534 27441 ManCurfd 10.48 Grieveson Mingt (CI)—Barrington Fund Grieveson Mingt (CI)—Barrington Fund
30 Bath St. St Heller, Jersey. 0834-75151
IntinoDect 99.1 103.8xd ... 5.02
Grindlay Henderson Mingt Ltd
PO Box 414, St Helier, Jersey. 0534-74248
Mad Fd 510.7562 11.2940 -0.0309
Mod Acc 510.1996 10.7012 -0.0299
Stig Fd 510.3613 ... 0.0005
Stig Acc 510.1996 10.7012 -0.0299
U.S. 5 Acc 520.6910 ... 0.0091
U.S. 5 Acc 520.6910 ... 0.0091
Ven Acc DM50.7901 ... 0.0093
Ven Acc SWF50.6505 ... 0.0017
Ven Acc CM50.7501 ... 0.0093
Ven Acc CM50.7501 ... 0.0093
Ven Acc CM50.7501 ... 0.0093

Guinness Mahon Inti Fund (Guernaey)

Amer Tot \$9.67 10.08

Rottschild Asset Management (CI)
St Julien's C.S. Peter Port, Georgery
Bol Francs BF7877.83 + 0.487 25741
Canedian \$ C527.763 + 0.193 2.74
Canedian \$ C527.763 + 0.193 2.74
Canedian \$ C527.763 + 0.193 1.74
Canedian \$ C527.763
Ca Schroder Hingt Services (Jersey) Ltd
PO Box 195. St Helter, Jersey. 0534 27561
Schroder Money Feeds Ltd
Serving 514.3963
U.S. Dollar 126.8951
D-Mark DMS1.3149 J. Henry Schroder Wagg & Co Ltd J. Henry Schroder 17005 2 01-382 5000 120 Chesonide, £C2. 01-382 5000 Naess&ThDec7 555,03 Naessa TriDec7 \$55.03

Standard Chertarid OR Money Mitt Fd
PO Box 122, St Heller, Jersey, 0534 74452
Sterring C10.2855 8-97
U.S. Poller 520.4509 8.45
D-Mark Da490.5.692 4.45
Serios Franc SerreD 3010 2.82
Japan Yon V5,074.179 5.89
State St Bank Equity Midgs MV
Car Mgt Co. 6 John B Gorlirawde, Ceratio, Nct esset value Nov 15 \$8.56.

Taiwan (R.O.C.) Fund
Co Victoris da Costa Led, King William St.
Landon EC4. 01-823 2484
NAVNT \$403. IDR Value US\$10,027.27

Norcep Fund Managers (Bermude) Ltd Back or Germuda Building, Bermuda 809 29 3400

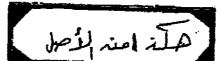
\$9.67 10.08 ...

Target Trust Mingrs (Jersey) Ltd PO Box 194. St Heller, Jersey. 0534 27441 Mpd Cur-Fd 98.0 103.3 + 0.7 ---Tyndali-Guardian Munagement Ltd 15-18 Queens Road Central Hong Kotts.
5-231417
56-MIVI \$19.75 11.23

Opponheimer Money Branspensors Ltd 66 Casson & 2Cat SAR C1-236 Sector Colf Fund C2 Cat Fund C3 Cat Fun

Money Market Bank Accounts

Aithen Hume
1 Worship St. EC2A 2HQ. br. 432 8070
Tressury Art 8.75 9.84 Or Caf
MnthylacAct 8.85 9.00 Math Call Sank of Soutland 36 Threadmedic St. ECSP 2011. Cheque Acce 8.60 9.16 Mill Checke Acc* 8.60 9.16 peth Cell
Britannie Gp of Unit Treats Led
29 Piesbury Chreik BCZM BCM
C1058-2777
Catter Allen* 8.675 9.249 Mth Cell
Dartington 8 Co 1.61
Dartington 8 Co 1.61
Dartington 7 Tobes, Design YES 6.55
Markitanac* 8.75 8.66 GB CAll
Lousbard North Capital RC
17 Retter 9. W16 7.005
Notice Deposit 8.0 8.3 Rett 14-day
Capital Scripts
Save 8 Prosper Save & Propert 24 Western No. Romany Rent 52.2 2008 68766 Firms Highlight 5.34 8.70 Daily Call



INSURANCE & OVERSEAS MANAGED FUNDS

INSURANCE & OVERSEAS MANAGED F Financial Times Tuesday December 20 1983

EEC beef

mountain

expected

to double

By Our Commodities Staff

end-1983 ievel

THE Common Market beef mountain is expected to end this year at nearly double the

In its latest international Market Review, Britain's Meat and Livestock Commission (MLC) estimates and year stocks in the community

at 390,000 tonnes, up from 204,000 a year ago.

But it expects a modest fall next year to about 375,000

tonnes. The combination of increasing

the combination of increasing production and a weak market has resulted in an upsures in support buying this year. MLC forecasts that purchases by national intervention boards on behalf of the community will reach a record 420,000 tonnes.

EEC reduction of beef and vest

in 1983 is estimated to have rises 211,000 to £6.86m tonnes while consumption is put at 19,000 tonnes down 5.50m.
Consumption is projected to rise 110,000 tonnes in 1984 with production up 136,000

The MLG Commissioners have

Zinc prices hit nine-year high

BY RICHARD MOONEY

ZINC PRICES on the London but stocks of other metals were Metal Exchange climbed to the highest level for 91 years yester-by 5,150 tonnes to 431,525; tin LME cash price ended the day

£9 up at £606.50 a tonne. The Billiton move came as a surprise to most traders and has not so far been followed by other producers. It is the first increase since the general lifting of producer prices from \$925 to \$950 a tonne four weeks

That was the sixth rise since this year's producer price advance began with the quota-tion at \$750 a tonne in May. Buying and short-covering following yesterday's announce-ment found sellers "rather reserved," traders said, and the three-months price moved through an established resist-ance area around £615 before advancing further.

The LME price rise was also encouraged by news of a 2,500 tonnes fall in LME warehouse zinc stocks last week to 97,350 overnight to the International tonnes. Lead stocks also fell, by 425 tonnes to 171,475 tonnes, level of 29.15 Ringgits a picul.

day after Billiton, the Dutch by 425 tonnes to 43,280; alumiproducer, announced that it had mum by 100 tonnes to 227,725, raised its European selling price by \$30 to \$980 a tonne. The nickel by 642 tonnes to 27,774; and silver by 1.56m troy ounces to 43.944m.

With sterling firmer, prices for other base metals were somewhat restrained, though there was some spill-over buying encouraged by the strength of the zinc market.

of the zinc market.

Copper wiped out a little of last week's £34 decline with a £3.50 rise to £969.50 a tonne. Some analysts said they thought the copper market still had some "downside potential" though they hedged their bets by warning that any decline was likely to be tempored by was likely to be tempered by protective short-covering prior to the Christmas holiday.

Lead was also encouraged by

zinc's rise and the cash quota-tion ended the day £3.25 up at £275.75 a tonne. But the slide in tin prices continued with cash standard metal closing £28.50 lower at £8,649 a tonne Prices in Penang fell overnight to the International

Agriculture warning

BY OUR COMMODITIES STAFF

BRITAIN should not trade the farm produce in the EEC must future of its agriculture indus-try against a deal on the EEC budget, Sir Richard Butler, the British Government's deter-president of the National mination to achieve a fair and Farmers' Union of England and lasting formula for the British Wales, said in London yester-

day. budget," he added, but the Speaking after the first Government must not accept a plenary session of the UK farmdeal on the budget at the expense of British agriculture." ing unions' annual farm review, expense of British agriculture." he said farmers accepted that the Common Agricultural 2m jobs were wholly or partly Policy must be cost effective and that supply and demand for UK farming industry.

PRICE CHANGES =

Copper Cash h grade ... £958.5 + 3.5 £947.25 Cash h grade ... £995.75 + 4.25 £967.25 Cash Cathode £953 + 4.25 £967.25 Gold troy oz ... \$375.125 + 1.26 \$374.625 Lead Cash ... £275.75 + 3.25 £271.75 3 mths ... £285.75 + 3.825 £281.75 Nickel ... £4646.34 £46

Gas oil opened \$1.75 down but prices rose towards the end of the morning session. A stronger New York opening continued to strengthen the London market in thin volume.

Crude oil firmed slightly in low volume, reports Premier Man.

Turnover: 1,411 (2,477) lots of 100

Latest + or —

LONDON OIL

SPOT PRICES

CRUDE OIL-FOR (8 per barrel)

Palladium oz-

Dec. 19 + or Month 1983 — ago

£1050 £1050 81548-1570 —40 81490/620

...\$166.25 +4,76 \$145.25 Other ...\$269.40 +0.89 \$259.30 com ...\$366.315 \$319/815 Cocos ...\$306.316 \$319/815 Put.

be brought more into balance.
"We understand and support

He claimed that more than

nut (Phil) 81070x

CRUDE OIL FUTURES

GAS OIL FUTURES

Month

Yest'day's + or Business close - Done

Dec. 19 + or | Month 1983 - Month

+30 4900

Values of coffee fall back again By Richard Mooney

LONDON COFFEE futures prices fell back again yesterday as dealers anticipated the release of extra coffee onto the which Britain will import 9m world market under the terms cartons, now runs from August of the International Coffee to June, with 85 per cent of

Agreement (ICO).

The recent price rise has lifted the ICO indicator price above 140 cents a pound and once the 15-day average reaches this leve lanother 1m tonnes of export quotas will be released. The average was 139.85 cents a pound on Friday an othe indi-

catro was 142.27 cents.
The March futures position finished yesterday at £1,997.50. down £23 on the day.

• FARMWORKERS in England and Wales earned an average of £128.45 for a 49.9 hour week in the July to September quarter, up from £114.85 for 49.1 hours in the same period

last year
THAILAND'S rubber exports rose 5.18 per cent to 519,118 tonnes in the first 11 months of this year. Japan remained the

biggest buyer.

TH7 1984 U.S. rice programme will include a 25 per cent accrage reduction requirement, with a signup period from January 16-February 24. Target price will be \$11.90 per cwt, the statutory minimum, and national average loan rate will

 CANADA is investigating possible subsidies by the Netherlands and Denmark on canned ham and canned pro-cessed ham exported to Canada. lasting formula for the British contribution to the EEC budget," he added, "but the Government must not accept a deal on the budget at the contribution to the EEC budget at the Government must not accept a deal on the budget at the contribution of British contributions. The EEC grain harvest, tonnes this year from 131.4m tonnes in 1982.

committees announced they were proposing import targets of 2.95m tonnes of maize and 1.25m tonnes of soyabeans for

Israel faces squeeze on citrus exports

PRESSURE on the British citrus markets is being stepped up this year by the delivery of a million more 15kg cartons from Israel than last season, when rain, sleet and snow at critical times harmed otherwise exportable fruit to the extent that much of it had to be sold

domestically or processed. The Israeli season, during shipments covering the October-

May period.

Like Spain, which also supplies the UK with around £50m worth of citrus a year. Israel has been putting more emphasis on "easy-peclers" which will arrive continuously from Janu-

early maturity in the groves that until it is sold.

Our Correspondent reports on a growth in competition

ripen first in the country. These commanded premium prices.

Israel's Curus Marketing Board claims to have studied UK market requirements more closely than before and to have brought deliveries correspondingly nearer to them. The intelligence on which such progress is based has been helped by the fact that supermarkets, whose scale and sophistication make for effectiveness in market appraisal, now buy more than

Britain. Shamoutis, which will account for almost 70 per cent of the 6.25m cartoon of oranges due to An addition to the range of arrive for December to June, Jaffa grapefruit this season was offered in boxes with yellow a year ago they were scarce, labels reading "Autumn Selection" and containing the products of a special selective nicking of fruit for quality and storage is available for all fruit

To speed delivery in the interests of freshness, fast Scandinavian ships have been chartered, reducing rival Spain's advantage of proximity. Promotion, mostly directed at the trade, has been intensified and

will cost about £400,000 this sęason. At the production end, further efficiency is being sought by breeding dwarf varieties of trees for easier picking, and by experiments half the Jaffa consignments to with computerised robots that

would eliminate picking. Extra market pressure is also coming this year from Spain, the increase in whose deliveries. estimated at 11.5 per cent, will be only slightly less than that

Israel expects more problems from Spain in the future. These were discussed in London recently by Mr H. Gruper,

producers and animal feel

Livestock sector leaders

trave been campaigning for EEC grain stocks to be used

compounders.

Israel's Minister of Agriculture, who said his country was seriously concerned that the protectionist measures of the EEC would, on Spain's accession to it, "radically alter the trading potential for Israel, as well as for other Mediterranean producers.'

A further worry for Isrzel is competition from Cyprus in grapefruit. Cyprus fruit is generally offered at prices lower than Israel's, and while the board that markets Jaffa products is strict about setting the rates at which its 35 panelists in Britain sell, Cyprus sometimes goes so far as to leave its prices "open." letting the seller get "open," letting the seller get the best he can for the exporter. Since so far this season more than 290,000 boxes of Cypriot grapefruit have been delivered compared with about 270,000 from Israel, the impact of such

competition is considerable, and helps to explain why prices this year have barely kept pace with inflation.

France outlines sugar terms

PARIS — The European Com-munity must be allowed to export an amount of sugar equivalent to the average it has exported during recent seasons if it joins the International Sugar Agreement, French farm minister Michel Rocard sald. He told French sugar beet growers that the EEC's right to export the average of recent years must be guaranteed even if world prices fall and the rules of a new pact oblige other producers to curb exports. The EEC does not belong to the current pact but M Rocard said that despite this it has limited exports and stocked sugar. He said the community must export during the current season the same amount of sugar as it sold in 1982-83.

rejected a plan proposed by The Meat Promotion Execu-tive (MPE) to impose a new statutory levy on producers to boost production funds. The proposed levy, which would have required an Act of Parliament, would have raised an extra 12m a year to add to the £5.6m share of the commission's £10.5m levy income which already goes for proposition.

their support for meat pro-motion activity but said yet another statutory levy would not be entertained except in the most extreme circum-

Bread-wheat offer angers farmers

BY OUR COMMODITIES STAFF

AN OFFER of "cheap" British bread-marking wheat for use in livestock feed today is likely to arouse little commercial interest but considerable annoyance in the UK farming community.

Under a scheme to cut its growing surplus the EEC is authorising the cut-price sale of 2m tonnes of bread wheat for this purpose, 150,000 tonnes of it in Britain. But for British buyers the special offer price will be higher than the ruling market level.

The minimum price set for today's selling tender is 205.39 a tonne European Currency Units (ECUs), the same as in other Community countries. But the price is translated into national currencies at the so-called "green" rates of exchange, not the real com-

mercial rate.

In Britain's case the "green" rate is well below the real rate so the offer price works out at £127.07 a tonne, nearly £7 above the going market price. The price of bread wheat

on France's Rouen market is a little less than the British price but because the "green franc" is below the real franc, traders will be able to take up the EEC offer at a highly attractive price equiva-lent to about £112 a tonne. The offer is also likely to be attractive on most other

The arrangement has caused considerable bad feeling among British livestock

Sales: 971 (450) lots of 40 tonnes

The London physical market opened stightly easier, drifted lower throughout the day and closed on an easier note, reported Lewis and Peat. The Kuela Lumpur December fob price for RSS No 1 was 263 0 (264.5) cents a kg and SMR 223.5 (224.0).

No. 1 Yesterdy's Previous R.S.S. close close

SOYABEAN MEAL

The market opened £3.00 higher in dull trading, reports T. G. Roddick Prices remained steady on commercia

LONDON DAILY PRICE—Raw sugar 135.00 (£134.00) a tonne for Dec-Jan-eb shipment. White sugar £158.50

feb shipment. White sugar Liba.30 (£157.00).

The market was very quiet with the trade generally withdrawn in front of the Christmas holidays. Price fluctuations were only marginal over the day, reports C. Czamikow.

No. 4 Con-tract Yestday's Previous Business close close done

SUGAR

Yestday's + or Business close | — Done

continental markets.

to help struggling livestock producers, particularly in the pig sector, and the plan was welcomed when it was first announced.
Pub ication of the details persuaded many, however, that the scheme had been

deliberately arranged to en-sure that the "troublesome British "devised no benefit from it

A seasonal rise in grain prices is likely as the ender series progresses but this is taken care of by a rising scale for the offer price, which will go up 2.57 ECUs (£1.59) each month. Since output this year will be down, the EEC will be obliged to export stocks.

- AMERICAN MARKETS NEW YORK, December 19.

business). New Zealand cents por kg.
Dec 400, 415, nd; Jan 49, 413, nd;
March 421, 423, 422-421; May 431, 432,
431-429; Aug 444, 447, 447-444; Oct
458, 450, 439; Dec 454, 456, 455-454;
Jan 455, 458, 11, Sales; 52.
SYDNEY GREASY WOOL—Close (in
order: buyer: seller, buyeness). Australian cents per kg. Dec 540.0, 545.0,
untraded: March 558.0, 561.0, 560.0558.0; May 574.0, 575.0, 575.0; July
584.0, 585.0, 586.0-584.0; Oct 574.0,
582.0, untraded: Dec 582.0, 585.0,
582.0; March 559.0, 605.0, untraded:
May 602.0, 613.0, untraded. Sales: 16. NEW YORK ALUMINIUM 40,000 Ib cents JUTE—C and F Dundee BWC \$498. BWD \$488, BTB \$528, BTC \$488, BTD \$488; and C and F Antwerp BWC \$497, BWD \$487, BTC \$492, BTD \$487; C and

High 28.42 28.12 27.95 27.85 27.70

27.60 27.60

" n 100 troy oz. \$/troy oz

77.30 76.05 74.40 72.90 72.90 71.85 72.20

73.35

Closs 124.40 124.70 124.70 124.30 124.30 123.20 119.30 18.40 116.40

77.50 76.20 74.55 72.90

PLATINUM 50 troy oz, 5/tray oz

Hegh 390.0

391.5 392.3 399.0 399.2 496.0 406.1 413.0 413.1

Dec Jan Feb March May July Sept Dec Jan March COTTON

INDICES

FINANCIAL TIMES Dec. 16 Dec. 15 M'th ago Y'ar ago 298.88 292.71 284.51 232.58

JUTE

REUTERS Dec. 19 Dec. 16 M'th ago 'Y'ar ago 1971,8 1966.7 1898.8 1571,6 (Base: September 18 1931=100) MOODY'S

(Base: July 1 1952=100)

Dec. 16 Dec. 15 M'th ago Yearago 1043.8 1055.8 1008.8 984.4 (December 31 1931 = 100)

DOW JONES Dow Dec. Dec. Month Year Jones 16 15 ago ago Spot :187,35 :137,69 :135,85 :185.18 Fut's :141,47 :141,81 :140,92 :188,87 (Base: December 31 :1874=100)

MEAT/FISH

MEAT COMMISSION — Average fatstock prices at representative markets.
GB—Cards 98.79p per kg lw (~3.37).
GB—Sheep 152.09p per kg lw (~3.37).
GB—Sheep 152.09p per kg est dcw (~5.79). GB—Pigs 7.18p per kg lw (~2.31).
SMITHFIELD—Pence per pound.
Best: Scorch killed sides 82.5 to 89.0.
English Intravariers 53.8 to 58.0.
Lamb—English smell 70.0 to 74.0, medium 68.0 to 72.0, heavy 84.0 to 65.0. imported New Zeeland PL 59.3 to 60.0, PX 56.5 to 57.0, Pork: English under 100 ib 51.0 to 56.0, 100-120 lb 51.0 to 55.0, 120-160 lb 44.0 to 54.0.
GRIMSBY FISH—Supply ter, demand good. Prices at ship's side (unprocessed) per stone: shelf cod £5.00-6.70, codings £4.0-5.00, swell 23.50-4.40; large plaics £5.00-6.70; medium £4.50-5.40, best small £4.60-6.30; skinned dogfish (medium) £6.00; lemon soles small) £1.180, rockflah £2.00-3.00; reds £2.00-£2.90; saithe £2.90-3.20.
COVENT GARDEN — Prices for the

Imported produce: Satsumas—Spania: 3.60-3.80. Clementines — Corsican: 2.80-3.40: Spania: 82/120 5.0-5.20. 132/168 5.00. 182/210 4.80: Moroccan: 1's 4.60. 2's 4.50-4.60. 3's 4.20-4.00. 4's 4.00-4.20. 5's 4.00. Oranges—Spania: 42/48/54/50 5.80-6.00. 70/80/80 5.80-6.00. 100/110/120 5.80-5.00: Moroccan: 48 5.80. 63 5.60, 75 5.80-5.80. Lemons—Italian: corton 5.50-6.00: Cyprus: 10-4g bores 2.50-4.40: Creek: 10-kg 3.50-4.20. 15-kg 6.00-6.50: Spania: 5-kp 1.80-2.20. Grapstruit—Juffa: 32 4.80, 38 4.80, 40

COVENT GARDEN — Prices for the bulk of produce, in sterling per package except where the produce in sterling per package except where the produce in sterling per package except where the produce in sterling per package except with ere of the produce in sterling prod COVENT GARDEN -- Prices for the

TEA AUCTIONS

TEA AUCTIONS

LONDON TEA AUCTIONS — 26,827
packages were on offer at this week's sale, including 3,200 packages in the offshore section. A good demand prevailed. Brighter Assems were fully firm to dearer, but mediums often shed 2p-3p, while plainer sorts lost 4p-6p and there were some withdrawals: Dooars CTCs, on the other hand, gained 5p-6p. Alrican teas were again will supported with brighter types several ponce higher and mediums irregular but unchanged on balance. South Indians sold readily and advanced. Offshore teas mer good competition and prices were generally firm to dearer. Quolity 280p a Fg (273p), medium 252p a kg (233p), low medium 214p a kg (20p).

LIVERPOOL — No spit or shipment seles were recorded. Lack of enterprise persisted and dealings were exceedingly taren. Inquiry centred on specialist qualities.

less with little change in price. Corner prices backed off moderately on commission house selling encurraged by a late break in solvabsane as the trede refused to support the market. Super closed moderately lower on selling pressure sheed of further selling processing and on unporting disparate of engin selling and on unporting an expectations of a trigger for releasing an additional Impage of quote poffee. Hasting oil prices strengthened as the central part of the U.S.A. continued to be in the grip of an extreme cold wave which is slowly moving eastward. Pracious metals recovered on light short-covering in response to a better tone in the currencies; the market was also helped by the transpense of good physical activity. Copper was also supported by the emergence of physical activity and by active arbitrage buying. Aluminium was feature-

NEV	V YOF	₹K			SILVER	5,000 te	DY OIL O	mis/tro	00
ALUMAI	NIUM 40,	000 Ib o	ents/7b	- ,		Close		Low	ī
	Close	High	Low	Prev	Deg	. 880.7	205.0	.856.0	8
March	75.45	75.45	74.65	75.46	Jen Feb	363.0	873.0	873.Q	8
May	76.20	75.90	75.66	74.05	March	909.0		·	8
July	77.25	76.95	76.75	77.15	May	577.0	896.6	874.B	. 5
Sept	78.35	78.05	78,05	78.35	July	892.6	212.0	0.025	8
Dec	80.05	70.00	-0.00	80.08	auty :	308.2	922.0	305.0	9
Jan	80.55		-=	80.45	Sept	924.3	939,0	927.0	3
March	81.55		_	81,50	Dec	948.9	\$60.0	948.0	9
May	\$2.55			92.50	Jan	957.3			. 5
July	83.55		_	83.50	March	574.4	362.0	1,13.0	37
Sept	84.55		_	84.50	SUGAR	WORLE	"H".		-
COCOA		106, \$/b	DODGS.		112,000	B cont	s/lb· .		. •
	Latest	High	Low	Prev		Close	High	Low	
March	2602	26.26	2437	2540	Jan	. 7.52	7.90 4.73	7.55	٠٠.
May	2475	2538 2510	2472	2548 2522	Merch	5.59		- 2.58	
July	2480	2505	2490	2511	May	. 8785	9.04	* 2.36	. :
Sept	2485	2485	2474	2504	July	9.10.	9,34	3.16,	- 4
Dec				2513	Sept	5.38	9.56	3.52	
March	1485	==	-=	2485	Oct	· 9,57		9.55	1
					Jan	10.25	70.25	. 10.25	T
COFFEE		7,000 ф	L, COUNTS,	The .	March (. 10.60°	10.75	19.60	_ 11
	Close	High	Low	Prev					٠٠.
Dec	155.94	56.ÕQ .	54.50	. 55.09	CHIC	AGO		rijeti e	
March	147.21	47.75	46.60	48.66					
May	141,18	42.10	41.10	42.70	LIVE C	ATTLE &	0,000 њ	Camba /lib	
July	738.03	38.70	38.03	39.00		Close			
Sept	135.38	36.00	36.00	36.40	Dec	: 67.50.	High	Low-	
Dec	132.88		_	33.25	Feb	66.92	67.65	67,65	-61
March	131.00		· —	31.00	April	66.12	66.50 56.77	65.80.	8
COPPER	25,000	ib cents	/lb		June	66.36	55.80	-96.10 66.25	9
	Close	Histh	Low	Prev	August		- 65.35	64.72	- 6
Dec	63.05	63.00	62.15	42.30	Oct	62.72	.63.38	62.65	š
Jan	63.25	62.30	62.46	2.50	LIVE N	068 30 (000lbs, co		_
Feb	83.90 ·			63.16					
March	64.55	64.55	53.56 .	63.85	Dec	Close	High	Law .	F
May	65.85	65.85	64.90	65.15	Feb	49.60	49.60	48.70	4
July	67.15	67.25	66.25	66.45		48.77	49.86	48.70	. 4
Sept	68.50	68.55	67.60	67.80	April		48.30	47.00	- 4
Dec	70.60	70.86	69.70	69.90	July July	52.70	53.50	52.60	. 60
Jan	71.30	70.85	70.85	70.60	Aug	53.85 53.66	54.50	53.80	54
March	72.85	_	· 	71.95	Oet	51.77	<u>54.22</u>	53.65	5
COTTO	N 50,000	lb, çe	nte/lb		Dec .	53.00	52.30	61.75	. 6
	Close	High	Low	Prev	Feb	53.27	53.25 53.40	52.95 53.26	5
March	78.73	79.10	78.40	78.67				93.69	- 83
May	79.90	90.18	79.57	79.75	MAIZE	5,000 be	r mine.		
July	80.54	80,64	80.26	80.27	COLUEN / S	Of both	es ·	•	
Oct	75.35	75.35	75.17	75.28		Class	High	Low	Ŧ
Dec	73.76	73.90	73.56	73.60	Dac	337.4	337.4	329.4	
March	74.85	_	_	74 80	March	337.2	340.4	332.4	3
May	75.65		_	75 90	May	341.0	344.2	335.6	. 3
	OIL (LIG	HLTT1			July	339.6	3120	335.0	3
THUDE '	U(L (EIG J.S. gatio	HT17.			Sept	313.4	313,6	309.4	ŝ
-2,000				<u> </u>	Dec	.293.4	293.4	290.0	2
	Close	High	Low	Penn	PORK	BELLES	38,0000		
Feb	28.32	28.42	28.27	28.23					100
March	28.08	28.12	28.00	27.93		Close	High	. · Longs	. 8

Press 177 1.50 Press 17.50 Pre 77.93 Closs 1986 Low 72.76 Feb 44.32 65.45 94.07 27.67 Merch 54.90 65.70 94.45 27.57 July 56.47 57.45 65.95 27.50 Aug 55.00 66.15 65.00 27.60 27.50 76gh Low 798.4 777.0 816.4 766.6 828.0 808.4 833.4 816.4 818.0 806.0 765.0 244.0 765.0 244.0 766.4 720.0 383.4 390.1 397.0 404.1 411.2 418.5 426.0 433.8 441.9 460.2 374.0 SOYABBAN MEAL TOO mos S/ton

Close High Low J

Dec 216.0 218.0 218.0 3

Jan 218.1 20.0 218.3 2

Merch 218.0 228.0 278.8 2

May 219.0 228.0 278.8 2

July 229.0 228.0 218.0 2

July 229.0 228.0 218.0 2

August 218.0 220.0 214.0 2

Sapt 210.0 211.0 208.0 2

Ccq 183.0 183.0 189.5 1

Dec 183.8 183.8 180.8 1

Dec 183.8 183.8 180.8 1

Jan 194.8 183.8 183.8 185.8 1

SOYABBAN OH 80.000 85 circu/f6

Close High Low J 78.56 78.02 78.56 78.02 78.50 78.47 72.50 73.47 72.50 72.00 71.55 71.00 — 75.00 — 75.00 — 73.35 SCYABEAN ON 80,000 85 conta/6

Clode High Low
Des 27.70 28.00 27.46
Jim 27.40 28.76 27.20
Morch 22.50 28.76 27.20
May 28.56 28.15 28.25
July 28.56 28.16 28.25
July 28.56 28.70 28.20
One 26.50 28.50 27.50
One 26.50 28.50 27.50
One 26.50 28.50 28.50
July 28.20
Viright 5.00 be min conta/50 libits of the conta/50 libits of ORANGE JUICE 15,000 ths. cents/ths Low Prev 23.70 23.70 23.70 23.70 23.40 23.40 24.30 25.45 22.50 20.01 18.50 18.25 18.25

1000

GOLD MARKETS

Gold rose \$14 an ounce from Friday's close in the London bul-lion market yesterday to finish at \$374}-\$375}. The metal opened at \$3751-\$376 and traded in a very narrow range of \$374-\$374

and \$3761-\$3771. In Frankfurt the 121-kilo ba was fixed at DM33,575 per kil (\$377.52 per ounce) against DM34,125 (\$382.98) and closed at \$374]-\$375} from \$377-\$377}. In Luxembourg the dollar per ounce equivalent o fthe 123-kilo bar at the fixing was \$376.45 from \$281.75 In Paris the 121-kilo bar was xed at FFr 102,500 per kilo

noon compared with FFr 102,500 (\$377.90) in the morning and FFr 103,500 (\$379.93) on Friday in Zurich gold finished at \$375-\$375} from \$374-\$375.

Month	Yest'rday's	+07	Business Done
	\$ per troy ounce		
Dec Feb	375.00-78,90 379,50-78,70	2,50	875.48-75.4
April	J385, 40-86,20	—2,40	386,60-86,3
June Aug	399.10.99.80	—1.75 .	
Oct	406,00-06.60	1,50	i –

(\$377.49	per ou	nce) i	in the	after-		1.00	i		_
	j		Dec.	19		De	e. 16		_
			Bold Bu	Hon (fin	e ounce)				_
Close Opening Morning fit After noon	Krng i	83743, 83754 8376,6 8376		(£364-8 (£264-4 (£265.1 (£264.2)	.2643 ₄₎ 53)	83731 ₂ \$381 - 8 \$381 \$377,2	_	(£264-264 l ₂) (£268 l ₂ -269) (£268.556) (£266.269)	
			Gold an	d Platini	ım Coins D	ec. 19			
prapielear	\$3861g \$2001g \$102 1 \$41 4 4 \$38614 \$88 4 5 \$53 63	.2014 025 2 .3863 194	(£141 \ (£72 73 (£29 29)] _{e]} -27234) 631	King Sov Victoria S French 26 50 pesos 100 Cor- \$20 Espic Noble (Pi	Sov 590 0s 57 Mex 34 Aust 550 8s 55	55-457 66-370 85-535	(£651 ₂ -641 ₃) (£631 ₂ -641 ₂) a (£63-541 ₂) (£3203 ₄ -322 (£368-8603 ₄) (£370-3771 ₄) (£370-3781 ₄)	 Le7 }

EUROPEAN MARKETS

ROTTERDAM, December 19.

Wheat—{U.S. \$ per tonne}: U.S.
Two Red Winter Jan 159.50, Feb 160,
March 181.50, April 162.50. U.S. Two
Northern Spring 14 per cent protein
Dec 20/Jan 15 192, Jan 191.25, Feb
192. March 193. April/May 178. June
193. June 194. July 198. Canadian
Wessern Spring April/May 212, June
212.
Waize — {U.S. \$ per tonne}: U.S.
Three Yellow arrived Ghant 153, Dec
151.35, Jan 150.75, Feb 152. March 193.
April/June 153, July/Sept 151.50
sellers. Agentine Plate Jan 177.
April/June 159 sellers.
Syrabears—{U.S. \$ per tonne}: U.S.
Two Yellow Gullports Dec 307. March
316.50, April 318.80, Aug 320.50, Sept

300. Oct 273, Nov 273, Dec 275.60, Jan 279.50 sellers.

300. Oct 273, Nov 273, Dec 275.60, Jan 279.50 sellers.

300. Oct 273, Nov 273, Dec 275.60, Jan 279.50 sellers.

300. Oct 273, Nov 273, Dec 275.60, Jan 279.50 sellers.

300. Oct 273, Nov 273, Dec 275.60, Jan 254.

Soyamas!—{U.S. \$ per tonne}: 44
per cent afleat 245, Dec 248, Jan 251,
April/Sept 254, Mov/March 255, Jan 275 O. Feb 280,
March 275, Jan 275 O. Feb 280,
March 271, April 254, April/Sept 259,
May/Oct 258, 50, Oct/Dec 247.50 sellers.
Sugar—{FFr per tonne}: March 1935-1944, May 2003-2012, Aug 2115-200, Oct 2475.00, Dec 275-2290,
March 275, Jan 275 O. Feb 280,
March 271, April 254, April/Sept 255, Jan 277 50, Feb 280,
March 271, April 254, April/Sept 255, Jan 277 50, Feb 280,
May/Oct 258, 50, Oct/Dec 247.50 sellers.
Sugar—{FFr per tonne}: March 1935-1944, May 2003-2012, Aug 2115-200, Oct 2475-2290, Dec 275-2290,
March 275, Jan 275, May/Oct 258, 50, Oct/Dec 247.50 sellers.
Sugar—{FFr per tonne}: March 1935-1944, May 2003-2012, Aug 2115-200, Oct 2365-2200, Dec 275-2290,
March 270, 284, Dec 275, Jan 275, Dec 276, Jan 275, Jan 275, Dec 276, Jan 275, Dec 2

BRITISH COMMODITY PRICES =

BASE METALS

ZINC VALUES SURGED shead on the London Metal Exchange following the move by Billitton to increase their European producer price from \$950 to \$980. Forward zinc touched a nine and a hall-year high of £623 owing to speculative duying and short covering before easing a fraction to £622.75 on the late Kerb. Other metals rose in sympathy with zinc, most notably LEAD which closed at £286 5, after £287. COPPER was finally quoted at £997.75, despite a rise in warehouse stocks. Tiln dipped to £8.800 following levels but rallied on good support from one quarter to touch £8,825 before closing at £8,804.

COPPER

Amelgamated Metal Trading reported that in the morning cash Higher Grade traded at £988.50, three months £994, 93.50, 93, 92.92.50, 93, 93.50, 94, 94.50, 95, 94.50. Cathodes: Cash £952, three months £977.50. Kerb: Higher Grade: Three months £994, 94.50, 95, Afternoon: Higher Grade: Three months £944, 95, 95.50, 96. Kerb: Higher Grade: Three months £944, 95, 95.50, 96. Kerb: Higher Grade: Three months £986, 97, 96.50, 96. 96.50, 97. 97.50, 98. Turnover: 39,200 tonnes.

	OIL I	0.0	nes	over: 39,2	00 tonne:	5.		
	Yest'day'ı	+ or	Business Done	COPPER	a.m. Official	+ or -	p.m. Unofficial	+0 -1
_	8 U.S.	 -		High Grde	2	£	£	£
	per bri			Cash	968,5-9	-3		+ 3,5
	28.05 27.81	+0.05	~	3 months Settlem't	994.5 969	-2,25 -3	995.5-6	+4,25
	27.70 27,65	-0.08	27.70 27.66-27,46	Cathodes Cash	952.,5	: ,—1,25	952-4	+4
Mr.	27.63 2.477 (2.9	-0.12	ots of 100	3 months Settlem't.	977-8	-1 -1.8	977-9	+3,5
•			J-1 41 100	U.S. pro'd		<u> </u>	166-70	

TIN TIN—Moming: Standard: Cash £8,650, three months £8,820, 15, 10, 15, 20, 15, 05, 01, 02, 03, 04. High Grade: Cash £8,710. Kerb: Standard: Cash £8,655, three months £8,815, 20, 25, 18, 25. Afternoon: Standard: Cash £8,651, 50, 45, 46, three months £8,825, 20, 15, 10. Kerb: Standard: Three months £8,825, 20, 15, 10. Kerb: Standard: Three months £8,810, 05, 02, 8,800. Turnover: 5,750 tonnes.

per tonne 241,00 +2,50241,50,240,3 242,00 +1,00242,25-239,2 239,00 +0,75239,25-257,0 235,25 +0,56125,25-251,7 235,00 +1,56121,00-229,5 231,00 +0,561 231,00 +0,560 232,50 -1,1,50

LEAD

Lead—Morning: Cash £274.50, three months £284. 83 50, 83.75, 84 50. Kerb: Three months £284. 50, 84. Atternoon; Three months £284, 84.50, 85, 85.50, 86. Kerb: Three months £286. Turnover: 6,175 tonnes.

ZINC

ALUMINIUM

Aluminium—Morning: Cash £1,072, 71, three months £1,101, 01,50, 02, 02,50, 02, 01,50, 01, 1,100, Kerb: Three months £1,100, 1,099, Afternoon: Three months £1,097, 98, 99,50, 99, 98,50, 99, 1,100, 1,100,50, 1,100, 01, 01,50, 02, 02, 50. Kerb: Three months £1,103, 03,50, 04, 05, 06, 07, 06, 05,50, 05, 04, 03, Turnover: 12,950 tonnes.

Yesterdy's Previous Business close close Done £ per tonne 154.90 158.70 157.00-184.5 178.00 185.50 182.90-177.4 187.60 191.60 188.10-187.0 85.50 78.00 —

* Cents per pound. † MS per kilo. RUBBER

Silver was fixed 15.3p an ounce lower for spot delivery in the London bullion market yesterday at 809.1p.
U.S. cent aguivalents of the fixing levels were: spot 864.3c, down 20.5c;

U.S. cent squivalents
U.S. cent squivalents
levels were: spot 854.3c, down 20.3c; sixmonth 910.3c, down 21.5c; and 12month 960.3c, down 21.5c; and 12month 960.3c, down 22.2c. The metal
opened at 611-614p (888-872p), and
closed at 605-609p (880-854c). SILVER Bullion + per fbung troy oz. price or LM.E. + or p.m. _ Unoffic'l

Spot 608.10p | 15.3 605.5p +2.75 3 months 523.10p | 15.1 619.75p+2.5 6 months 639.10p | 15.6 | 12months671.10p | 16.3 | LME—Silver (2,000 oz contract) — Three months 622p (619p). Turnover

Sales: 162 (41) lots of 15 tonnes 1 (nil) lots of 5 tonnes. Physical closing prices (buyers) were apot 83,00p (84.25p); Jan 84.00p (85.00p); Feb 84.25p (85.25p). Three months 622p (619p). Tumover 1 (7).

Tumover: 145 (113) lots of 10,000 cz.

Morning: Large three months 624.0,
24.5, 25 0, 25.5. Kerb: large three months 626.0. Aftermoon: large three months 619.0, 20.0, 20.5, 20.0, 19.5; small three months 623.0, Kerb: large three months 621.0, 22.0, 23.0, 24.0.

COCOA

Following a steady opening some

	Yesterday'	B:	
COCCA	Close	+ or	Business
	£ per tonne		Done
Dec		⁵⁾ ± 13 5	1954-07
March			1910-76
May	" ======	14-	1984-68
July		-2.5	1878-5
Sept	. I844-45	3,5	1860-40
Dec	181 <u>4</u> -16		1830-10
March	. 180 <u>-</u> -11	<u>9.5</u>	: 1830-18

COFFEE Yest'day's + or Business
Close - Done ...|2075-2080 -46,5,2125-67 ...|1997-1996 -28.0,2020-88 ...|1905-1908 -17,0,1920-01 ...|1868-1859 -16,0,1865-55 Sales: 2.234 (3.094) lots of 5 tonnes. ICO indicator prices (U.S. cents per pound) for Dec 15. Comp delity 1979 142.27 (141.97) — 15-day average 139.85 (139.60).

† Unquoted. v Jan. w Feb. x Dec-Jan. y Jan-Feb. † Per 75 lb flask. * Ghana cocoa. a Nominal. c Cents per pound.

GRAINS Most of the day's activity centred on wheet/barley spreads. Values closed on the highs due to shipper buying. New Crops barley eased slightly in very thin trading, reports Muirpace. WHEAT

Jan ... 120.20 -0.05 120.90 -0.55 Mar ... 123.50 -0.25 125.60 -0.90 May ... 126.50 -0.25 125.40 -0.90 July ... 129.50 -0.25 125.40 -0.60 Nev ... 116.00 - 113.90 -0.15

Nov... 116,00 — 113,90 —0,15

LONDON GRAINS—Wheat: U.S. Dark
Northern Spring No. 1 14 per cent
Jan 145 50, Feb/March 146,50 sellors,
trans-shipment East Coast. Maize:
French Dec/Jan 148 sellor East Coast.
Rest unquoted.
Business done—Wheat: Jan 120 2519 90, March 123,50-3 05, May 126,506,05, July 129,45-9 05, Sept and Nov
untraded. Sales: 444 lots of 100 tennes,
Barley: Jon 120,80-20,35, March 123,602,90, May 125 49-4 85, Sept untraded,
Nov 113 90-3 80. Sales: 255 lots of
100 tennes. Aluminim 2.m. + or p.m. - i Barley: Jan 120.80-20.3 2.90, May 125.40-4.85, Nov 113.90-3.80, Sal 1070-1 - 1.5.1075.5-4.5 - 3.5 5 months 1099-1100 + .25 1102.5 - 1.25 Prices Isili as Iresh

Sales: No 4 1,323 (1,410) — No 6 159 (137) lots of 60 tonnes.

Tate and Lyle delivery price for granulated basic Sugar was (242,30 (224,50) a tonne for export. International Sugar Agreement—(U.S. cents per pound fob and slowed Caribbean ports). Prices for Decamber 35. Daily price 7,65 (7,53); 15-day average 8,06 (8 12).

POTATOES

Prices tell as Iresh selling on the opening hit stop-loss levels at £180.00 to basis April, was active for most of the day and in a nerrow range, with volues falling near the close before

seles were incorded. Lack of entor-decing the entor-decing the

Financial Times Tuesday December 20 1983

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES .

Yen weakens on election fears

Foreign exchange trading appears to be winding down before the Christmas holiday. The market was very quiet yesterday, with one of the few areas of interest centring on the Japanese yen which lost ground on nervousness about the result of Japanese general election.

of Japanese general election.

The dollar improved after a weak start, but still finished weaker on the day against major currencies except the yen. A partial recovery in late European trading reflected the firm level of Federal funds in New York, which moved up to 944 per cent from 94 per cent despite an injection of money from the Federal Reserve Bank.

Federal Reserve Bank.

Friday's U.S. money supply figures failed to give any impetus to trading, with the rise of \$5.5bn in M1 roughly in line with most expectations, while the low figure of net borrowed reserves by New York banks indicated that monetary policy had not been tightened ahead of the present Federal Ones Market present Federal Open Market Committee meeting.
The dollar fell to DM2.7730 from DM 2.7780 against the D-mark; FFr 8.4575 from FFr 8.4775 agains the French franc; and SwFr 2.2120 from SwFr 2.2150 in terms of the Swiss franc, but improved to

14.20¹-14.26¹-1.2020-1.2700 3.91¹-3.94¹-187.75-188.76 225.25-226.25

OTHER CURRENCIES

THE POUND SPOT AND FORWARD

2364-2366 11.064-11.074 11.59-12.00 11.51-11.52 3344-3354 27.68-22-73

0.15-0.20c dis 0.03-0.13c dis 11-4c pm 5-15c dis 27-9-ore dis 0.30-0.37p dis 11-15p pm 135-215c dis 135-215c dis 135-215c dis 135-215c dis 28-4-ore dis 24-9-ore dis 24-9-ore dis 24-9-ore dis 24-9-ore dis 24-6-0.55p pm

trading Y236.15 from Y235.70 against the ng down yen. Its trade-weighted index against the dollar in 1983 is holiday, rose slightly to 131.2 from 131.1, 2.7690 to 2.3329. November ry quiet according to Bank of England average 2.6847. Trade weighted index 124.3 against 127.7 six the few

according to Bank of England figures.

STEERLING — Trading range against the dollar in 1983 is 1.6245 to 1.4140. November average 1.4773. Trade-weighted index 82.1 against 82.0 at noon and the opening, 81.9 at Friday's close, and 84.0 six months ago.

The D-mark improved against the dollar at yesterday's fixing. The U.S. unit alipped to index 82.1 against 82.0 at noon DM 2.7888 down from DM 2.7713 with the Bundesbank selling an extract invervention. The pound was generally quite firm, opening at \$1.4190.1,4200, and trading within a narrow range of \$1.4175 to \$1.4220, before closing at \$1.4180.1,4190. a rise of 45 points on the day. Sterling also improved to DM 3.9350 from DM 1.1715 per Y100, down from DM 3.932. FFr 11.950 from DM 1.1795 on Friday. Sterling also improved to DM 3.9350 from DM 3.9310 from DM 3.9320. The FFR 11.9550; Y335.25 from Prench franc was fixed higher at DM 32.775 per FFR 100 from DM 32.775.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	amounts against ECU December 19	% change from contral rate	% change adjusted for divergence	Divergence
Belgian Franc	44.9008	45.9796	+2.40	+1,83	±1.5447
Denish Krons	8.14104	8.177/4	+0.45	-0.12	+1.6425
German_ D-Mark	2.24184	2.25686	+0.66	+0.09	+1.0642
French Franc	6.87456	6.88635	+0.17	-D.40	+1.4052
Dutch Guilder	2.52595	2.53426	+0.33	-0.24	±1.4964
irish Punt	0.72569	0.727828	+0.29	-0.28	±1.6899
itelien Lire	1403.49	1368.87	-2.47	-2.47	±4.1505
Change: • weak co	s are for E	CU, therefore (positive cha	inge denotes Insocial Times	8

Dec 19	Day's spread	Close	One month	% p.a.	Three ?
UK†	1,4175-1,4220	1.4180-1.4190	0.15-0.20c dis		0.33-0.38ds -1.
Irelandt	1.1175-1.1220	1.1185-1,1195	0.19-0.17c pm		0.54-0.48 pm 1.
Canada	1.2495-1.2505	1,2500-1,2505	0.11-0.09c pm		0.18-0.76 pm 0.
Nethlad.	3.1025-3.1155	3.1135-3.1166	1.16-1.08c pm		3.11-3.07 pm 3.
Bela lum	56.30-56.46	56.43-56.45	per-1½c dis		10-13 dis = 0.1
Denmark	10.021-10.041s	10.033-10.043	per-lore dis		par-7 dis =0.
W. Ger.	2.7605-2.7745	2.7725-2.7735	1.00-0.95pt pm		2.78-2.73 pm 3.5
Portugal	132.35-132.95	132.65-132.95			300-850ds - 14.
Spain	158.85-159.15	158,95-159,15	110-135c dis		370-420dis -9.5
toly	1667-1983	16811-16821	912-10lire dis		281-291-ds -6.1
Norway	7,7880-7,8050	7.8000-7.8050	1.40-7.70ore dis		4.45-4.75dis 2.1
France	8.4250-8.4650	8.4550-8.4600	1.70-1.90c dis		6.70-7.30dis = 3.1
Sweden	8.1110-8.1200	8.1135-8.1185	0.90-1.1fore die		2.60-2.80dis -1.
Japan	235.75-236.75	236,10-236,20	0.78-0.74y pm		2.15-2.10 pm 3.0
Austria	19.47 - 19.55	19.54-19.55	8.00-7.40ara pm		
Switz.	2.2050-2.2125	2.2115-2.2125	1.09-1.04c pm		
JWICZ.	LCUSU-L2121	44119-4414	tree tree has	3.75	3.13-3.08 pm 5.0

Note Rate

Belgian franc... Danish kroner... Deutsche mark, Swilder

exchange cross rates Found Strilleg U.S. Dollar | Deutschem'k | Japanese Yen French Franc, Swiss Franc | Dutch Guild | Italian Lira Canada Dollar Belgian Franc

Pound Sterling U.S. Dotter	-0.705	1.419	3,985 2,773	338.3 238.2	11,995 - 6,458	3,140 " 8,212	4,420 5,115	2585, 1682,	1.775 1,250	80,05 56,44
Deutschemark	0,254	0.560	11,74	85.20	5.048	0,798	1,123	606.1	0,451	20,54
Japanese Yen 1,800	2,985	4.231		1000,	55.78	9,566	15,16	7114.	5,289	258,8
French Franc 10	0.854	1.183	8,281	279.5	1D.	2,618	3.685	1988.	1,478	65.74
Swiss Franc	0.316	0.452	1,253	106.8	5,820	1,	1.408	759,6	0,565	25,49
Dutch Guilder	0,225	0,821	0.890	75,65	2,714	0.710	1,853	539,6	0.401	18,11
Italian Lira 1 000	0,419	0,895	1,650	140.6	5,029	1,317		1000	0,743	33,56
Canadian Doțier	0,864	0.800	2,819	189.1	6.765	1.771	9,493	1345.	2,215	45.15
Beiglan Franc 100	1,249	1.772	4,915	418,8	14.98	5.923	5,622	2979.		100,
FURA CURRE	NOV INTE	SECT DA	TEC /No	tet elec	ing rote	-1				

EURO-CURRENCY INTEREST RATES (Market closing rates)

Dec. 19	Sterling	U.S. Poliar	Canadian Dollar	Buitch Guilder	Swise Franc	D-mark	French Franc	Malinn Jra	Belgia Conv.	n Franc Fin.	Yen	Danish Kroner
7 day's notice Month Three months Six months	818-9 974-974	91g-93g 104-104 104-104 104-105	812-9 966-968 911-911 10-104	6-61g 64-63g 63g-63g 61g-65g	214-219 51s-51s	516 512 612 516 644 616	1214-1214 1214-124 1314-14 1414-1416	164-174 1656-1716 1714-1734 1756-1818	911-10 1014-1034 1114-1134 2114-1134	954-1014 1038-1058 1054-11 11-114	654-678 65-76- 65-65- 66-66-	1112-12 11-1112 1118-1168 11-1112

MONEY MARKETS =

London rates ease

Interest rates had a slightly cent; £Im local authority bills in repurchase agreements for customer account.

market yesterday, in rather calmer conditions encouraged cent.

In experchase agreements for customer account.

In Amsterdam the Dutch interest rates. The latter central bank announced its inhappy risen by about 1 of a point by the steadler performance of sterling on the foreign Three-month interbank de-clined to 91 per cent from 94-per cent, and discount houses

UK clearing banks' base lending rate 9 per cent (since October 4 and 5)

per cent from 9 per cent.

The Bank of England forecast
a money market shortage of
£250m, and provided help of £250m, and provided help of £301m. Bills maturing in official hands, repayment of late assistance, and a take-up of Treasury bills from Friday's bill tonder absorbed £395m, and Exchequer transactions another £30m. These were partly offset by a fall in the note circulation of £200m.

Before lunch the authorities bought £281st bills by way of £16m bank bills in band 2 (15-33 days) at 9 per cent: £5m bank bills in band 3 (34-63 days) at 818 per cent; £25m Treasury bills in band 4 (64-91 days) at 81 per

FT LONDON INTERBANK FIXING

(11.00 am December 18) 3 months U.S. dollars

offer 101/2 bld 10 5/8 6 months U.S. dollars

offer 10 9;16 The fixing rates are the arithmetic means, councied to the nearest one-nixteenth, of the bid and offered rates for Stom quoted by the merket to Sve reference banks at 11 a.m. sech working day. The banks are National Westmanster Bank, Banks of Tokyo, Dautache Bank, Banque Nationale ds Paris and Morgen Guaranty Trust.

There were no further bill pur-tention to offer currency swaps

MONEY RATES

chases by the Bank of England in in addition to the swap arrange in the last two weeks in reaction the afternoon, but late assistance ment accepted by the market to higher German and U.S.

of around £20m was provided.

In New York Federal funds continued to trade around £21m would have come into force toper cent at lunch time after the federal Reserve added \$25m to the banking system by way of appear anxious to increase for the first continued to trade around \$25m to the banking system by way of appear anxious to increase for the first continued to trade around \$25m to the terms were rejected by the market. The authorities \$25m to the banking system by way of appear anxious to increase per cent on Friday.

Ťokyo I Frankfurt! **Paris** Zurich Amst'dam 6,46975 6,53125 134 254 516-516 6,28185

Milan i Brussels Dublin 5,40-5,50 6,50-6,65 6,40-6,55 6,40-6,55 6,40-6,55 171g-177g . 6.80 173g-173g : 105g-105g 1034-11 63g-63g 61g-65g 1759-18 411-413 12 554

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

<u> </u>										
Dec. 19 1985	Sterling Certificate of deposit	interbenk	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade Buy
rernight	46 6년 1년 6년 1년 6년 1년 6년 1년 6년 1년 1년 1년 1년 1년 1년 1년 1년 1년 1년 1년 1년 1	646-919 	816-875 876-9 876-9 9-15 9-15 9-15 9-15 9-15 9-15 9-15 10-16	878-9 — — 9-914 916-919 934 978 —	B14-912 — β15 9 9 — —		885 813 813 97a	8%-99 8%-99 	831 874 874 9:4	959 979 979
	Local Auth. negotiable	Local Authority	Finance House		DR inked	ECU Inked	MONEY	RATE	s	

	Local Auth. negotiable bonds	Authority	Finance House Deposits	\$ Certs of Deposits	SDR Linked Deposits	ECU Linked Deposit
nths onths	95-91	Ξ	Q I _P	10.2-10.8 10.15-10.25 10.15-10.25 10.25-10.85	9%-9% 9%-9% 9%-9%	91g-91g 914-95g 93g-934 95g-10
nths r,	101g-934 101g-934	=	104	10.85-10.56 10.55-10.75	9#.10#	912-10
56 58.75 57.6	. –	1049 1049 1079	Ξ	Ξ	=	=

ECGD Fixed Rate Export Finance Scheme IV Average Rate for Interest period November 2 to December 6 1983 (inclusive) 9.380 per cent. Local authorities and finance houses seven days incuce, others seven days inxed. Finance Houses Base Rates (published by the Finance Houses Association) 9½ per cent from December 1 1983. London and Scottieh Clouring Bank Rates for tending 9 per cent. London Deposit Rates for sums at seven days notice 5½ per cent. Treesury Bills: Average tender rate of discount 8.8997 per cent. Certificates of Tax Deposits (Series 8). Deposits of F100.000 and over held under one morph 9½ per cent; one-three months 9½ per cent; three-six months 9½ per cent. Under £100.000 9½ per cent from December 14, Deposits held under Series 4-5 10 per cent. The rate for all deposits withdrawn for cash 8 per cent.

NEW YORK (Lunchtime) Prime fate Broker loans rate 10¹2-10¹2 Treasury Bills
 One month
 9.05

 Fed funds at interevnetion
 90 to 100

 Two month
 9.15

 Three month
 9.09

 One year
 9.25
 Treasury Bonds

JAPANESE YEN - Trading range against the dollar in 1983 is 246.90 to 226.86. November average 235.06. Trade weighted index 155.1 against 147.4 six **Quiet trading** Prices showed little overall change in the London International Financial Futures Exchange yesterday. Sentiment was influenced by steady cash markets as activity decreased ahead of the Christmas break. Currency futures traded very quietly with most interest centred on the Japanece yen. This Swiss franc, D-mark and sterling contracts all showed marginal gains against the dollar but the yen lost ground, following an unexpected setback for the ruling Japanese LDP in Sunday's general election.

Euro-dollar prices opened slightly firmer, reflecting a softer cash market and lowerthan-expected net borrowed reserves for last week. This was seen as implying a more accommodative stance by the Prices showed little overall Federal authorities in order to

LONDON

THREE-MONTH
points of 100%

FINANCIAL FUTURES

EURODOLLAR Sim

The yen lost ground in Tokyo yesterday following a setback for the ruling LDP party in Sunday's general election. Results announced so far suggest that the LDP will be unable to obtain an overall majority without some form of coalition. Dealers suggested that the yen may not ease much more unless post election recriminations force the resignation of Prime Minister Nakesone.

The dollar rose to Y236.35 at the close, up from Y235.10 on Friday although down from a day's high of Y237.10. The D-mark benefited from the yen's weakness, rising to Y85.29 from Y85.17. There did not appear to be any intervention by the Bank of Japan, with the yen's recovery from the day's lows reflecting renewed demand at the lower levels. The dollar rose to Y236.35 at

£ in New York-Latest

Dec. 19 | Previous \$ 1.4185-4195 \$1.4170-4185 oth 0.15-0.19 dis 0.17-0.18 dis oths 0.34-0.39 dis 0.33-0.35 dis this 1.05-1.20 dis 1.22-1.27 dis

THE DOLLAR SPOT AND FORWARD

ec 19	Day's spread	Close	One month	% p.a.	Three months	% p.a.
K†	1,4175-1,4220	1.4180-1.4190	0.15-0.20c dis	-1.48	0.33-0.38ds	-1.00
eland†	1.1175-1.1220	1.1185-1.1195	0.19-0.17c pm	1.93	0.54-0.48 pm	1.82
anada	1.2495-1.2505	1,2500-1,2505	0.11-0.09c pm		0.18-0.76 pm	0.54
ethind,	3.1025-3.1155	3.1135-3.1155	1.16-1.06c pm		3.11-3.01 pm	3.53
alglum	56.30-56.46	56.43-56.45	par-11 _c c dis			-0.81
enmark	10.02 ¹ 4-10.0 ⁴⁷ 4	10.03%-10.04%	per-lore dis			-0.70
/. Ger.	2.7605-2.7745	2.7725-2.7735	1.00-0.95pt pm		2.78-2.73 pm	
ortugal	132.35-132.95	132.65-132.95	80-200c dis			14.31
pain	158.85-159.15	158,95-159,15	710-135c dis			-9.93
ely vie	1667-1883	16874-16824	91-10lire dis			-6.86
OFWAY	7,7880-7,8050	7.8000-7.8050	1.40-7.70ore dis		4.45-4.75dis -	
rance	8.4250-8.4650	8,4550-8,4600	1.70-1.90c dis		6.70-7.30dls -	
weden	8.1110-8.1200	8.1135-8.1185	0.90-1.1fore die			-1.38
Dan	235,75-238,75	236,70-236,20	0.78-0.74y pm		2.15-2.10 pm	3.60
ustria	19.47 - 19.55	19.54-19.55	8.00-7.40gro pm		21-19 pm	4.09
witz.	2.2050-2.2125	2.2115-2.2125	1.09-1.04c pm		3.13-3.08 pm	5.62
			•			
disco	unts apply to	the U.S. dolla	.S. currency. For and not to the	indivi	dual currency	

CURRENCY MOVEMENTS CURRENCY RATES

0.731832 1,03847 -8.7 +18.8 +0.3 +2.9 -11.9 -6.0 +6.7 +14.0 -15.5 -11.9 +11.8 82.1 151.2 92.3 114.3 89.5 78.8 124.3 150.9 114.2 66.1 48.9 155.1 Canadians... 10.06
Austria Sch... 334
Belgian F... 10
Danish Kr... 7
Danish Kr... 7
Guilder 5
French F... 91
Lira 17
Yen 5
Norwan Kr... 8
Spanish Pta 165,019
Swedish Kr 819

have risen by about 4 of a point

in the last two weeks in reaction

Asian \$ (closing rates in Singapore): Short-term 90 to per cent; seven days \$50 to cent; one month 107 to per cent; three months 104-104 per cent; six months 107 to 105 per cent; one year 104-105 per cent; four pers 114-115 per cent; four years 114-12 per cent; four years 114-14 pe

Close High Low Prev 89.52 89.55 89.48 89.47 89.22 89.25 89.19 89.13 89.01 89.05 89.99 89.96 88.76 38.78 88.78 89.74 88.56 — 88.44 1.620 (2.670) 8 day's open int. 8,422 (8,851). THREE-MONTH STERLING DEPOSIT £250,000 points of 100% High Low 91.02 90.38 90.59 90.48 90.42 90.45 90.42 90.45 90.14 89.94 89.52 89.53 89.73 89.55 89.55 89.55 89.55 89.55 89.55 89.37 89.20 89.79 89.79 90.45 90.14 20-YEAR 12% NOTIONAL GILT £50,000 32nds of 100% 89.54 Close High Low Prev 108-30 109-03 108-25 108-14 108-01 108-05 107-22 107-16 107-02 107-03 107-07 — 108-19 108-27 — 108-08 16708 (1,733). s day's open int. 3,585 (3,836), and any 2003 less equivalent price of contract) 38 to 52 (32nds). **69.19**

CHICAGO

U.S. TREASURY BONDS (CBT) 8% \$700,000 32nds of 100%

Close High Low Prev 1.4229 1.4240 1.4215 1.4200 1.4255 — 1.4225 1.4283 — 1.4255 1.12 (189). 25 day's open int. 2,144 (2,120). DELITSCHE MARKS DM 125,000 \$

JAPANESE YEN Y72.5m \$ per Y100 Close High Low Prev 0.4272 0.4273 0.4261 0.4282 0.4313 — 0.4324 Sume 0.4313
Sept —
Volume 36 (20).
Previous day's ope

High 89.52 89.27 88.96 88.74 88.54 88.30 STERLING (IMM) \$s per £ Low 1,4180 1,4210 1,4245 1.4235 1.4260 1.4270 1.4325 1.4325 (CBT) 8% \$100,000 32nd Prev 68-28 68-08 67-10 66-15 66-24 64.21 64.08

NOTICE OF RATE OF INTEREST Kuwait Foreign Trading Contracting & Investment Co.(S.A.K)

Kuwaiti Dinars 7000,000 Floating Rate Notes due December 1988

In accordance with the provisions of the Fiscal, Paying Agency and Reference Agency Agreement between Kuwait Foreign Trading Contracting and Investment Co. (S.A.K.) and The National Bank of Kuwait S.A.K., dated as of 7th December, 1983, notice is hereby given that the rate of interest upon the above Notes has been fixed at 75/2% per annum and that the Coupon amount payable on 7th june, 1984, against Coupon No. 1 will be KD.191.147. By: The National Bank of Kuwait S.A.K., Head Office, P.O. Box 95, Safat, Kuwait.

Fiscal Agent 5th December, 1983,

Specialists in Financial Futures Telephone 01-481 1262

GNI Limited, 3 Lloyds Avenue, London EC3N 3DS, Telex: 884962

FINANCIAL TIMES

INTERNATIONAL & BRITISH EDITORIAL & ADVERTISEMENT OFFICES

Share Index and Business News Summary, Telephono ber, preceded by the appropriate area code valid : Birmingham, Liverpool and Manchester).

WORLD VALUE OF THE POUND

The table below gives the latest except where they are shown to available rate of exchange for the be otherwise. In some cases market pound against various currencies on rates have been calculated from those to nominal. Market rates are the or trief of the currencies to which they no direct quotations evaluables (F) free rate; (P) based on U.S. dollar parities and going sterling-dollar rates; (T) tourist rate; (Ba) basic rate; (bg) buying rate; (Bk) bankers' rates; (cm)

_	h		•		1	
-	PLACE AND LOCAL UNIT	VALUE OF & STERLING	PLACE AND LOCAL UNIT	VALUE OF & STERLING	PLACE AND LOCAL UNIT	VALUE OF £ STERLING
	Afghanistan Afghani	99,00	Greenland Danish Kroner	14,235	PeruSol PhilippinesPhilippine Peso,	exe(A)3,171,85
	Afghanistan	10,10 (A) 7,0230	Greenland	5.85 11.995	Pitcairn Islands (£ Sterling New Zealand \$	2.2000 -
o	Andorra Spanish Pasata	11,995 225.55	Guam	1.4185 1.4185	PolandZioty	140.52
n	Angola Ewanza Antigua E. Caribbean 5	(CM) 45.4115	Guinea	60,10	PortugalPortugu'se Escudo	1
E	Argentina New Peso	30.52		4.8615	Puerto Rico	: 5.1665
nt n	Australia Australian \$	1.6110 27.705	Halti	7.0925 2.8511	Reunion islandFrench Franc	i 11.995
š. i	Austria.,, Schilling Azores Portugu'se Escudo	198,25	Hong Kong H.K. 5	11,0785 64,84#	Romaniat.eu	(Cm)6,84 (N/C)20,66
d i	BahamasBa. Dollar	1.4185 0,5350	Hungary Forint Iceland L. Krona	1 40.84	RwandaRwanda Franc	143,195
c	Bahrain Dinar Balearic Isles Spa. Pesata	225,55 35,10	India Ind. Rupee Indonesia Ruplah	14.90 1,410.0	St. ChristopherE. Caribbean \$ St. HelenaSt. Helena £	3.63 1.0
ŀ	Bangladesh Taka Barbados Barbados \$	2.8370		125.70(80)	Et Lucia F. Ceribbean S	3.83 11,995
8	Belgium B. Franc	((cm) 80.05 (fn) 81.20	Iraq	0,4410 1,2676	St. Pierre Local Franc St. Vincent E. Caribbean 8 Salvador EL Colon	3.83 3.65
	Belize B \$ Benia C.F.A. Franc Bermuda Bda \$	2.6370 599.75	IsraelShekel ItalyLira	141.0 2,385,0	Z Samos American _U_S, Z	1,4185 2,585.0
	Bermuda Sda \$ Bhutan	1,4186 14,90	Ivory Coast C.F.A. Franc	599.76	San Marino	66.55 4.93575
-		(O) 709,25 📆	Jamaica Jamaica Dollar	4,4711	Senegel	500.25 9.73(sg)
_	Botswana	1,6500 1,362,55	Japan	335,25 0,5310	Sierra LeoneLeone	(O)3.55 3.02675
: !	Brazil Cruzeiro II Brit, Virgin Isles U.S. S	1.4185 3.09675	Vomenskes Diel	N:A 19.67	SingaporeSingapore \$ Solomon IslandsSolomon is. \$	1.7388 24.90
1	Brunei Brunei \$ Bulgaria Lev	1,4702 11,9366	Kenya	1,6110 1,6045(II)	South Africa	1.73825
•]	Burma	171,915	a Rorea (Stri Won	1,135.7 0,4160	SpainPeseta	225.65
	Cameroon C.F.A. Franc	599.75 1.7730	Leos	49.65	Spanish ports in North Africa Paseta	225.55 35.15
۱-	Canary islands SpanishPeseta	225.55 103.10	LebanonLabanese 2	7.6810 1.73825	Sri LankaS. L. Rupee Sudan RepublicSudan £ (u)	i 1.8655
1	Canada Canadian S Canary islands Beanish Peseta Caps Verde Is. Cape V. Escudo Cayman Islands Cay. Is. S Cant. Afr. Republic C.F.A. Franc	1.1820	Lesotho Maluti Liberia Liberian S	1,4185 0,4199	Syrinam	2,5390 1,73825
ı	Chile Ghilean Peso	599.75 599.75	Libya Libyan Dinar Liechtenstein Swiss Franc	{ 314	Sweden	11.515 3.14
.	CDIA2 REAMIRE VIAN	123,45 2,8372	Luxembourg Lux Franc Macao	80.05	SyriaSyrian £	(CM)6,20
- [Colombia Col. Peso Comoro Islanda C.F.A. France	(F) 123.96 599,25	Madeira Portug'se Escucio	188.25 695.65	Taiwan New Taiwan \$	67.00 17.67 (sg)
-1	Congo (Brazaville), C.F.A. Franc	599,25	Malaysi Kwacha Malaysia Ringgit Maldys islands Rufiyaa Mail Republic Malfrano	1,85 3,31925	TanzaniaTan. Shilling ThailandBaht	32.50 599.75
ı	Costa Rica Colon Cuba Cuban Peso	(U) 61,55 1,2345	Maldive Islands, Ruf yaz.	10.70	Togo Republic C.F.A. Franc Tonga Islands Ha'anga	1.6110
١	Cyprus Cyprus £	0.796	MELLO :::::::::::::::::::::::::::::::::::	D.636	TrinidadTrinidad & Tob. 9	3,4045 1,025(sg)
1	Czechoslovakia Koruna	(com) 9.60 n/c 17.05	Martinique Local Franc Mauritania Ougulya Mauritius M. Rupec	11,995 79,80	Turks & CaloosU.S. S	389.80 1.4185
1	Denmark Danish Kroner	(T) 16.45 14.235	Mauritius M. Rupec Mexico Mexican Peso	18.07 J(F)227.30	TuvaluAustralian 5	1.6110
- 1	Dilbouti	244 (sg) 3,83	Miqueion Local France	11,995	UgandaUganda Shilling	(388.0 (420.0 (3)
	Dominican Repub- Dominican Peso	(O) 1,4185 (7) 2,2385	Miquelon Local Franc Monaco Franc Mongolia Tugrik Monserrat E Carlbbean 5	11,995 4,65 (ff) 3,63	United StatesU.S. Dollar	1.4185 51.52
I	Ecuador, Sucre	((0) 76,18	Montserrat E. Caribbean &	3,63 11,30(ag)	Uruguay	5,20775 1,1870
1	Egypt Egyptian £ Équatorial Gui nea Ekuele	(F) 131.21 (V) 1.1785	Morocco Dirham Mozambique Metical Namibla	(A) 58,95 1.73825	Upper VoltaC.F.A. Franc	699,75 145,20
Į	Equatorial Guinea Ekuele Ethiopia Ethiopian Birr	451,1 (P) 2,9000	·		VanuatuVatu VaticanItalian Lira	0 705 0
1	Falkland Islands. Falkland is F	1.0	Nauru Australian Dollar Nepal Nepalese Rupee	1.6110 21.15	VenezuelaBolivar	(4) 7.30 (5) 14.08
1	arce Islands Danish Kroner Fiji Islands Fiji \$	14.235 1.4830	Netherlands Guilder NetherlandAntilles Antillian Guilder	4.42 8.5390		(16) 17.95 (0) 14.15
	Finland Markka France French Franc	6,34625	Notherlands	8,2000 14,185	Vietnam	l(T)18.65
ı	FrenchC'tyin Af C.F.A. Franc	11,995 599,75	NISS RUDUUIG L.P.A. FIRIG /	599.75	Virgin Island U.S. U.S. Dollar Western SamoaSamoan Tala	1.4185 (A)2.3295
1	French Guiana Local Franc French Pacific Is C.F.P.Franc	11,995 207 (sg)	Nigeria Naira Norway Norwegian Krone	1,095996(eg) 11,0675		
1	Gabon C.F.A. Franc	599,75	Oman Sul'ate of Rist Omani	0,4905	Yemen (Nth)Ryal Yemen (Sth)S, Yemen Dinar YugoslaviaNew Y Dinar	6.51 (eg) (A)0.4900
- 1	Gambia Delasi Germany (East: Ostmark	4.00 3.936	Pakistan Pakistan Rupee	18.80 1.4185	Yugoslavia;New Y Dinar	179.4969
- 14	Germany (West) Deutsche Mark Ghana Cedi	3.935 42.616	Panama	1,2385	Zeire RepublioZaire	43.6240
- 1	Cibralton Cibralton C	1.0		((O)178.75	ZambiaKwacha	2.05

1.0 140.70 Rate is the transfer market (controlled). #1 Now one official rate. (if) Unified rate. Applicable on all transactions except countries having a bilateral agreement with Egypt and who are not members of IMF. (ii) Seeed on grees rates against Rossian rouble. (1) Essential goods. (2) Preferential rate for priority imports such as loodstuds. (3) Non-essential imports and private sector applicants. (4) Preferential rate for public sector debt and essential imports. (5) Government controlled for non-essential imports, (6) Free rate for luxury imports, restrictioned and longing travel. (7) Parallel rate.

N WORLD INTERNATIONAL (HOLDINGS) LIMITED

Interim Report to Shareholders for the Half Year period ended 30th September, 1983

GROUP RESULTS

The unaudited profit after taxation of the Group for the six months ended 30th September, 1983 was HK\$237.0 million, as compared with HK\$235.8 million for the corresponding period last year. The Group profit attributable to shareholders of the Company for the six month period amounted to HK\$236.7 million. Earnings per Ordinary share, after taxation but before the Group's total indebtedness reduced by 18 percent compared with that at 30th September, 1982. The ratio of the Group's total indebtedness to total tangible assets as of 30th September, 1983 was 29 per cent, a reduction from the ratio of 37 percent at 30th September, 1982. INTERIM DIVIDEND

INTERIM DIVIDEND
The Board has declared an interim dividend of 4.5 cents per Ordinary share in respect of the year ending 31st March, 1984 (4.5 cents—1983). The interim dividend will be paid on 25th January, 1984 to shareholders on record as at 13th January, 1984. The Register of Members will be closed from 9th January to 13th January, 1984, both days inclusive. In order to qualify for the interim dividend all transfers, accompanied by the relevant Share Certificates, must be lodged with the Company's Registrars, Central Registration Hong Kong Limited, not later than 4.00 p.m. on 6th January, 1984.

HALF YEAR RESULTS

The unaudited consolidated results for the six months ended 30th September, 1983 with comparative figures for the same period last year are stated below.

Stated below.		
Six months ended 30th September	1983	1982
•	HK\$ Million	HK\$ Million
Operating Profit	141.2	145.1
Share of Profits less Losses of		
Associated Companies	108.1	105.7
Associated Companies		
Profit before Taxation	249.3	250.8
Taxation	(12.3)	(15.0)
Profit after Taxation	237.0	235.8
Extraordinary items	(0.3)	(1.3)
-		
Profits attributable to shareholders	236.7	234.5
Earnings per Ordinary share	16 8 cents	16.7 cents
	10 0 10113	10.7 Cents
Fully deluted earnings per		
Ordinary share	14.2 cents	14.9 cents
By Order of the Board		
WORLD-WIDE SECRETARIES LIMITED		
	,	
Secretaries		
HONG KONG, 14th December, 1983.		



FIMAB-FINANZIARIA MAGLIFICIO BIELLESE F. LLI FILA S.p.A.

US\$5,000,000 Medium Term Multicurrency Loan

Managed by PRIVATbanken Limited

Participating Banks PRIVATbanken Limited BANCA DELLA SVIZZERA ITALIANA (Overseas) LTD, NASSAU BANCA POPOLARE DI MILANO BANCA PROVINCIALE LOMBARDA BANCO DI NAPOLI (New York Branch) CASSA DI RISPARMIO DI GENOVA E IMPERIA NUOVO BANCO AMBROSIANO

Funds provided through BANCO DI NAPOLI (Frankfurt Branch)

Joint Agents



PRIVATbanken BANCO DI NAPOLI (Frankfurt Branch)

IRELAND

U.S. \$50,000,000 Floating Rate Notes Due 1990

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the six months 19th December, 1983 to 19th June, 1984, has been fixed at 11 per cent. per annum and that the coupon amount payable



The Sumitomo Bank, Limited.

on Coupon No. 7 will be U.S. \$5,591-67.

U.S. \$40,000,000

Christmas

By Mary Ann Sieghart in London

comes early to

bond markets

EUROBOND secondary markets showed signs of shutting down for

Christmas yesterday. Turnover was

very low in dollar and D-Mark de-nominated bonds, some of which

gained a point, and also in Swiss

franc foreign bonds, whose prices

There were no new issues yester-

day, but SBC priced its SwFr 100m

deal for All Nippon Airways. The

10-year bond will have a 2% per cent coupon at par, less than its indicat-ed 2% per cent.

BHF Bank bond average

Previous 97.847

97,699

Dec 19 97.861

High 102_017

closed weaker where changed.



Subordinated Floating Rate Serial Notes Due 1985-1989 For the six months 20 December, 1983 to 20 June, 1984

In eccordance with the provisions of the Notes notice is hereby given that the rate of interest has been fixed at 10% per cent. and that the interest payable on the elevant interest payment date 20 June, 1984 against Coupon No. 4 will be U.S.\$555.99.

Agent Bank: an Goaranty Trest Comp of New York, Leadon

500,000 Shares of Common Stock

Texas American Bancshares Inc.

The sale of these shares was arranged by

Bear Stearns International Corporation

a wholly owned subsidiary of

Bear, Stearns & Co.

New York/Atlanta, Boston, Chicago/Dallas, Los Angeles/San Francisco Amsterdam, Geneva, Hong Kong/London/Paris

December 1983

INTERNATIONAL CAPITAL MARKETS

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. I

The list shows the following are closing						nd 155	รนธ
U.S. DOLLAR				Own	M 00		
STRAIGHTS	Issued	Bel	Offer		week	Yarki	
Amex O/S Fin 1014 90	100	933;	9414	-8¼	-01/4	11.52	
Austraka Comm 11 Vs. 90	109		10034	0	Œ	11.12	
Australia Comm 1117 95	300	951/2	95	-01/2		12.18	
Australia Comm 115 g8	190	9641	365A	0	-824	12.15	
Benk of Tokyo 11 90	160	9354	941'8	8	-87/4	12.43	
Bank of Tokyo 11% 90	100	973: ₄	3834	_		12.32	
British Col Hyd 1014 88 British Fin 1174 90	200	951/2 983/4	96 9914	0 -04	-01/2	11.54 12.08	
Britoil Fig 117s 90	125 500	9824	3314	+01/a		11.24	
C.C.C.E. 124z 95	75	981/2	99	0	-046	12.81	
CL8.C. 11 90	75	92	93	ē	-07-	12.75	
Cicicorp O/S 102/s 90	100	9034	5072	+04		12.56	
Crosses 0/S 1134 90	100	97	3710	-1144		12.35	
Cred Spisse BAH 1047 90	158	373/4	981/4	C	-874	10 54	
Den Korsk Cred 11 4 93	58	924	92%	-04s	-01/2	12.65	
Denosek Kingdom 121/4 93	100	96%	9634	_	-	12.89	
E.C.S.C. 11% 90	75	981-16	98%	-04	-83:4	12.21	
E.D.F. 11% 93	100	914 974a	913/4 98/4	+ 01/g - 01/a	-044 -844	12.70 11.71	
E.E.G. 11 87 EI.B. 1034 93	350 200	89 4s	907s	-04		12.57	
E.I.B. 11 91	125	9334	93%	8	- 05/e	12.36	
Exportinges 111/2 90	100	951/2	96	- B1/a	-012	12.44	
Electrokus 10 1/2 90	50	921/8	924	~04e	-612	12.24	
For Int Fig 10% 90	100	92	9242	0	0	12.58	
6MAC 0/S Fin 1170 90	100	997%	9974	-044		11.43	
Honeywes let 1074 90	100	95% 95%	95%	0 -814	-04s -04s	11.74 12.52	
IC Indust Fin 11% 58	75 100	971/4	96 9734	-0.4	-0-7	12.38	
ITT Finance 111/2 89 WW	125	984	9854		- BV4	11.89	
Jacon Air Lines 101/s 98	42	90%	9114	a	-84	12.21	
Jagan Air Lines 11 93	75	9334	9444	•	-0144	12.07	
J.C. Penney 11% 90	100	100%		-01:8		11.77	
J. P. Morgan 11-7a 30 WW	158	961/2	97	0	-01/4	12.08	
Lavi Strause Int 11 90	75 100	95% 92%	951/s 925-a	_	05√a	11.91 12.50	
LT.C B. 121/2 90	85	1804		0	8	12.36	
Merrill Lynch 105/a 90	200	931/2	94	+01/1	-81/6	12.05	
Mitsubahi Fin 114s 90	100	9442	945a	4	-844	12.65	
Neppon Credi 11 90	100	925%	931/8	-01/8	-0144	12.65	
Nepon Credit 11% 90	190	95%	971/8	8	0	12.57	
Ontario Hydrs 1014 90	250	93 1384	931/2	-01/s -04/s	-81/e -07/s	11.77	
Ontano Hydro 11% 90 Pacific Gas & Sec 12 91	200 75	1004		-074	-011	11.61 11.75	
P.K. Benken 12 90 WW	75	96	951/2	8	-032	12.84	
Prudential 10% 93 WW	150	9474	9514			10.97	
Prudental 10 Vs 93 XW	150	89 %	90%	_	_	11.91	
Ouebec Hydro 1112 92	1001	9554	971/6	-044		12.08	
Saskatchewan Pt 1034 90	125	943/4	9514	-046		11.90	1
Sears 0/S Fm 111/2 88	125	10075		Ū.	-07/1	11.18	
Sears G/S Fin 11% 93 Stb Cal Edison 10½ 90	150 75	9744 9424	9724 9514	-QVa -DVa	-01/4 8	12.06 11.62	
Springer Fig. 107/s 90	75 108	921/2	92%	+848 +844	8	11.02 12.64	
Texaco Cautal 101: 93	200	9334	9414	0	- 01/4	17.54	
U.B.S 10 88	100	98	981/2	ā	-816	10.49	
World Sank 11 4 88	100	983/8	987/2	Ŏ	-072	11.67	i

	-			-				
	World Bank 114 93	200	9534	95:4	a	-02%	12.21	
eld.	World Bank 1117 90	150	962's	36.	G	-81.3	12.24	
1.62	Werts Bank 12 93	230		39°4	-875	G.	12.16	
1.12	As, pinca chan	Ç61: C0	±ry 0,0	o wast	_14			
2.18					_			
2.15	DEUTSCHE MARK				فست		-	
2.43 2.32	STRAIGHTS	lşsue:		Offer	day i		Yesto	
1.54	Arab Banking Curp 2 28 Awan Gev BK 813 93	100 203	95°4 29°3		-218	-83/4	8.16 0 E3	
208	Austra, Res 75 e 89	108	100	18014		-01 s	8,53 7,52	
24	Austria, Rea 2 93	130		1811-2		-01-s	7.82	
2.81	Avon (at Fig 717 93	103	10012		-81/2		7.38	
2.75	Bardays O. S 2's 98	250	93	981.7	-01%	8	8.33	
.56	Bestrice Foods 714 93	139	10234	10322	~87/a	-01/5	7.30	
.35	B F.C.E. 814 90	150	10014	101	-Br	-0"4	8.11	
94	Drescher Finance 4 SG WW	750		167	-81.4		Z.89	
2.65	Drugger Finance 4 SG XW	250		831/4	-0's		7.40	
2.89	ECS.C. 8 90	163		1007-	-037		8.04	
.21 .70	EEC 814 53	250 200		3614	-02		8.41	
.71	E1.8.393	100		9842 1001 a	-812 -014		8.32 7.54	
.57	Europarat 814 93	150	387		-84		8.36	
L36	Fixland Rep 8 SO	158		9854	-014		8.31	
44	Int Standard Ele 714 93	180	1812		ā	-8%	7.44	
24	ireland 85 s 51	150	99	991 s	-8r4	-871	8.75	
.68	Japan Dev Bank 712 90	100	1001/2			-81/2	7.31	
1.43	LT CB. 8 90	100		160	-Br:w		8.04	
.74 52	Renaulti Acceptance & SO S. N.C.F. & 1-8 93	150 100†	98 993-s	9812 9912	0	8	8.35	-
38	VEBA Int Fin 4 93 WW	300 t		10617		_	8.18 3.26	
.89	VEBA Int For 4 93 XW	3081	73	731/2			7.99	
21	World Bank 71/2 50	250	971.4		-0°a	-84	7.97	i
.07	Vioria Benk 77 a 83	300		991.5	-814a	Ō	8.06	
.77	Av. price change	15: 95 春	y –¥s, (œ week	-44			-
.91	SWISS FRANC				Change			
50	STRAIGHTS	learned.	SE4	DH=	day w		Yes	
.36	Amex 0/5 Fin 71-4 S1	57	7814	7812	-874		11.56	
05	Bank of Tokyo 6 91	100		10214	e	_8V4	5.85	
.65	Bergen, City of 514 95	40	10015		-814		5.67	
.65 .57	Deomark 63 n 91	100	18172		-0.4		5.09	i
.77	E.E.C. 6 93	100 100	10112 9824		8 -8%	-024	5.78 6.35	-
.61	Ind Formi Finland 5"4 91	40†	1011z			9	5.95	1
.75	Int-Aca Dev Bk 6 93	100	981		-014		6.22	
.84	keland 61/7 93	80	9912	993/4	-014	8	5.55	
L97	Japan Dev Bank 57 a 93	100	102	10244	+07/e		5.58	
.91	Jap Highway Pub 5% 91	100		100%	đ	- 01/c	5.60	i
.08	Kansai Fie Power 6 91	1001		10217	- 8Vz		5.62	i
.90	Kawasako Steel 6 ¹ a 91	1001	10074		-04		5.95	Į
18								
.18 .06	Mandoba Prov 51/7 93	100 26+	10024		-87/a		5.3 8	1
.06	Mandoba Prov 51/2 93 Mont Blanc Tuni 67 a 93	35†	10224	1031/4	+84z	+1174	5.96	1
.06 .62	Manusoba Prov 51: 93 Mont Blanc Tuni 63 a 93 Mount Isa Finance 6 93	35† 100	10224 103	103¼ 103¼	+84z +84z	+8%+	5.96 5.56	1
.06 .62 .64 .54	Mandoba Prov 51/2 93 Mont Blanc Tuni 67 a 93	35†	10224 103 9911	1031/4	+84z	+834 +1 -836	5.96	1
.06 .62 .64	Mantiota Prov 512 93 Mont Blace Tuni 642 93 Mount Isa Finance 6 93 MTG Bk Denmark 614 91	35† 100 80	10224 103 9911	1031/4 1031/4 993/4 1021/4 1011/2	+0\2 +0\2	+ 834 + 1 -836 + 844 -834	5.96 5.56 6.37	1 1 1

	Osserr Pass 64 91	190 108	10134	102 993	-84 -84	6743 - 0	5.80 5.67	
	Strington Elec Power 6 91	100	19214	1023	-0-			
	Symmomo Heavy Ind B 91	100	18124	7014	-65	-84		
_	Totyo Elec Power 53 a 91	100	102	182 la	8	-64	5.52	
	Trace Corp 64s 93	100	9874	180%	. 8	-871	4.12	
The	As, price ch	iages: D	о фу 0,	OF WA	ķ 0			
1 UE					n			
	TEN STRAIGHTS	based	Rise	Otter	جونتيا بحاد	St. Di	Tell	
	Aestraka 25'a 92	35	105 Ye	107	- S	treesk + D3/s	Tink! 7,56	
12.21	£18 84 92	15	103	70344	ð	8	7.53	
12.24 12.16	E 1 B 814 92	15	100%	181	8.	8	7.78	
14.60	New Zealand 75's 89	15		103% 101		: -824 : 0	4.単 7.53	
	Rew Zealand 75/a 83	. 28 41						
	we her cond	4: Usi 4	7 - 74.	-				
Yesto					Ches	Ge 00		
8.16	OTHER STRAIGHTS	STREET	Bed	Offer	άcγ	wasi	Yleti	
8,53 7,52	Bentish Col Hyd 12 93 CS	1251	86%	174			12,54	
7.82	Farm Credit 1244 90 CS	75t		188% 38%		-114	12.17	
7.38	Lobian 121-2 90 CS	351 401	100%		8	-01/2 -41/2-		
8.33	TB MTG Corp 121/2 88 CS	501		1014		-44 -44		
7.30	Royal Tisteo 125 a 88 CS	501		1814	4		12.25	
8.11	World Sent 1214 99 CS	757	22%	100%	ā	-844		
2.89	E.E.C. 11 93 ECU	50	10814	10114	-		18,87	
7.40	E E C. 11 93 ECU	S 3	18%	95%	+034	+04	11.14	
8.04 8.41	AUGERRAND 1580K UM UK H	150	102%	1021/4	-0%	-545	4.03 3.15	
8.32	Bank Mees 1 Hope 9 88 P	75	102-96	103% 17%		-D76		
7.54	Elect Sep Bed 834 88 F P.H P. 634 88 F	75 50		182%	-511		8.16	
8.36	Swed Exp Cred 774 88 FL	100	95%	95%	ō	+=24	171	
8.31	World Bank 9 88 Fl	100	视器	103%	+874	-81/5	2,15	
7.44 8.75	O.K.B. 14 86 FF	400		1017		-074	13.23	
731	Schory & Cie 1474 86 FF B F.C.E. 111/2 88 E	200 50	101%	102% 1486	-844	-84 -84	13.3E 11.76	
8.04	Barrels Dans 1124 Q1 F	50 50	1076	188%	8.	+0%	11.55	
8.35	CEPME 11 % 95 £	35 t	103	184	+844	+1	10.68	
8.18	CIBA-Geogy Int 874 93 £	25	9876	91%	-0%	+81/2	6.91	
3.26 7. 99	EEC 11% 91 E	50 50		1814	8	-8% -8%	11.57 11.23	
7.97	Fig. For Ind 1042 90 £	20 20	9484	191 8546	š	-8%	11.62	•
8.06	Finland Rep. 117s 88 £	50	100%	1887	ž	-0%	11.52 11.70	
	See Elec Co 1242 85 E	50 25	18374	105	+0%	+8%	11.31	
	111. 1034 93 £	25	34%	15%	0	-9%	11.57	
Table 1	LLI, 1147 81 WW £	50 15	991/e	够先	9	-8%	11.58 12.14	
1.56	Marsk Hydro 12 90 f	30		10112	•		11.80	
5.65	Sweden 11 % 93 £	50	38	55%		+07	11.51	
5.67	Swed Exs Cred 11% 88 £	30	987/4	19 Yz		. 0	11.57	
5.09 5.78	World Bank 11 Vs 88 £	100			8		11.41	
6.35	Furafima 10 91 Lastr Europarat 10% 93 Lastr	600 600	100 100	108 101		-8% -8%	18.99 19.54	
5.95	Company (074 95 com	QUAL	100			,	10,07	
6.22	PLDATING RATE							
5.55 5.58	NOTES	Spread		Offer 1		مصع	C.yM	
5.60	Alled Irish Bk 5V4 95	044	981/2	9874		5Ve	5.32 5.27	
5.62	Bancs & Rome 544 90 Balgium 5 2004	84 84		9974 9874		5% S	5.27	
5.95	B.F.C.E. 514 88	844			20/1	10.15	18.19	
5.38	C.C.F. 514 B5	DM.	334s	334 <u>-</u>	7/4	9,94	9.93	
5.96	CCF 514:98	01/4	9574	1061/2	24/3	10.19	18.19	
5.56 6.37	Cepme 514 88 WW	8V4	997/-	100	3/3	18.31	16.33	
5.46	CN CA 51/4 Q5 YW	04c 914	99%	59% 59%	7/6	181/2	10.55	
5.57	Credit Footer 5% 93	914 04	2575 4100	994	5/5 5/4	10	10.24 10.84	. 1
6.07	C.N.T. 5V4 91 Credit Foncer 5V4 93 Credit Lyonnass 5V4 94	0¥4		35%	5/1	16.31	18.35	-

•	• • • • • • • • • • • • • • • • • • • •		
5.80	Credit Lyannais 514.97 014	. MAR. 354 174	10· 10.
5,47	District 544 Mil - Annaparation Half	1974 MA 1374	# 10.
1 24	Dresdeer Fig 5Ve 53 XVV OVe	50% 100% 12/4 60% 25% 18/2-	294 1
5.75.	ED F. SIA 95 XW	25-4 State 19-45.	PE-96 33.
6.52	EEC 590	100 -100% -1/1	PL IN
4.12	Feet hater table 5 % 85	99% 99% 8/3 99% 99% 12/4	444
	628 5W 86 0W	854-154-25	Sign I
•	Number 7 Va. DK	新头 整、20/4	10
Test	102 Stell Day 544 97	\$5% \$5% 25/5 57% \$5 20/4 95% \$55 22/12	18% HL
7,56	SPRINGS DEL PART PER TOTAL PROPERTY OF THE PERSON NAMED IN COLUMN PARTY OF THE PERSON NAMED IN COLUMN	1944 (SA 1/4	Fig. 5.
7.55	See Security 544 99 89 894.	30 SPA 37	B.31 10.
7.78	Sweden 5 % 53	1004 100% 3/2	11.15 11.
4.86 7.53	Sweden 5/4 2893 QVe	27% 15% 17/6	BW 6.
7,53	No. bus session, s	to think if the Marie of	
	CONVENTIBLE Com	. Care	Che fre
	BONOS dat	t Care. 1 price Bid (1994) 478 12576 12746 688 3 23796 23860	- Tra
Yest	Bridgestate fire 51/2 98	478 1250 1279	-244 4
12,54	Cases 7 57 7/82		
12.17	District Sec Go 579, 98	株は料理	116 -3
12,68	1906 34 30	2145 111# (19#	. 5
12.24	Herachi Cable 514 95		-9% -U
12,4 8 12, 2 5	Hoods Hotel 54 65	\$142 1774 1784 \$15 1875; 188 \$84 1224 1224 788 1474 1454 \$78 \$74; \$84	-497 -4
12.28	Honishinako Photo 4 50 10/83	1964 1914 1954	-174
18.87	Kyonia Rakka SVs. 87	782 188% 108% 687 187% 188%	-190 161
11.14	Minches Co Ltd. 51/2 98	· 487 印化 惟秋	34 2
8.03	Minches Co Ltd. 51/2 98	_ 940 10Ect 161.cl	-24- 2
3.15	Minuteshi Renor 414 35	- 253 181% 182%	- 4
9.51	Nippen Sectic 5Vs 97 2/82	786.18 278 130 1984 152% 113%	4 -11
8.16 8.71	Ripport Ut Lt 3 12 35 4/83	- 762 193% 194%	-2% -54
ā.15		155 1964 1964	-240 · 2
13,23	Orient Lasting 5 to 58	76.00 1276 2766	7 . 91
13.36	Secon 5 98 11/83:	2828 142% 144W	+2% 1.4
11.76	Assayar 254 Ca 2 82 1/23	445 15V 45%	-100 -11
11,55 10,68	TAMAGERICA PROPERCIA SE 18/53	145 M. CH	973 M.
E.91	Setter Poor 39/r 93 SF 9/33	715 19676- 16275	-0% 12.7
11.57	Males 5 92 DN 12/83	520 189%, 111	+114 163
11.73	Yearschi Ser (b. 6 98	E16 121% 122%	-27: -21
11.52	2014 Helph 6.44 85 (ng 5/83	385 128% 127%	2 -6.5
11.70 11.31	* No intermetion availab	de menderes dita's most	
11,57	† Delv ane markér au	olen amphilod & price.	
11.54			
12.14	Spright Bondy. The yout to redesigner	of the mid-print, the are	oast issued i
11.80 11.51	an andious of currency water except	for Yes bonds where it	in in parties
11.57	Change on week - Change over pres	2 Took at Str.	
11,41	Sales Sales Sales Sales Sales	din adam adamba l	ericania (Cara
18.99	Routing Nate House Generalised in & you shown in minimum. C. data - Date	THE PERSON NAMED IN	actor Serve
19.54	- Margin above our month official col	e (Tt Bree moran I am	nie maio inc
	- Margin above our month official coll for II S. dollars, G.cya correct cou	POR CO. THE - COMMAND W	
C.yel		7.5	
5.32	Committee Bonds: Demonstrad in state	rs uness amenado Milit	
5,27	- treated on the view of the second	Marketin in Section and the	affaire of the
5.97	- Change on day. Can, dans - First the - Nominal amount of bond per share wexage type that at leasts. From - Pa	couple primary of the	Children super
18.19	the price of acquiring shares his the	hand over the most make	at price of th
9.95 18.19	shares.		
18.19			
10 55			

All of these Securities have been offered outside the United States. This announcement appears as a matter of record only.

New Issue / December, 1983

U.S. \$100,000,000

TAIYO KOBE FINANCE HONGKONG LIMITED

12% Guaranteed Notes due 1990

Payment of principal and interest unconditionally guaranteed by

THE TAIYO KOBE BANK, LIMITED

(Kabushiki Kaisha Taiyo Kobe Ginko) (incorporated in Japan with limited liability)

The Taiyo Kobe Bank (Luxembourg) S.A.

Bank of America International Limited Chase Manhattan Capital Markets Group **County Bank Limited**

Crédit Lyonnais

Bank Leu International Ltd

Orion Royal Bank

N. M. Rothschild & Sons

Vereins- und Westbank

First Chicago Limited

Kleinwort, Benson Limited

Merrill Lynch Capital Markets

Morgan Stanley International

Nomura International Limited Union Bank of Switzerland (Securities) Limited

Morgan Guaranty Ltd

Bankers Trust International Limited Citicorp Capital Markets Group Crédit Commercial de France Deutsche Bank Aktiengeseilschaft Goldman Sachs International Corp. Manufacturers Hanover Limited

Salomon Brothers International

Samuel Montagu & Co. Limited The Nikko Securities Co., (Europe) Ltd.

Swiss Bank Corporation International Limited S. G. Warburg & Co. Ltd.

Norddeutsche Landesbank

Amro International Banca Commerciale Italiana

Bank für Gemeinwirtschaft Bank K G Winter & Company Banque Bruxelles Lambert S.A.

Bank Gutzwiller, Kurz, Bungener (Overseas) Banque Européenne de Tokyo S.A.

Banque Générale du Luxembourg S.A. Banque Internationale à Luxembourg S.A. Banque Populaire Suisse S.A. Luxembourg Banque Worms Baring Brothers & Co., Cazenove & Co. **Chemical Bank International Group** Compagnie de Banque et d'Investissements, CBI. Creditanstalt-Bankverein **DG BANK** Daiwa Europe Enskilds Securities **Dominion Securities Ames**

Deutsche Genossenschaftsbank

Genossenschaftliche Zentralbank AG Girozentrale und Bank der österreichischen Sparkassen Lloyds Bank International B. Metzler seel. Sohn & Co. Morgan Grenfell & Co.

Österreichische Länderbank Smith Barney, Harris Upham & Co.

Pierson, Heldring & Pierson N.V. 🦠 Sparbankernas Bank

Prudential-Bache Taiyo Kobe Firianz (Schweiz) AG

Sal. Opponheim ir. & Cie.

Wood Gundy Limited Yamaichi International (Europe)

Zentralsparkasse und Kommerzialbank, Wien

Hambros Bank E. F. Hutton International Inc.

FINANCIAL TIMES SURVEY

BANKING. FINANCE AND INVESTMENT

The voracious demands of Italy's public sector deficit dominate the financial scene, leaving little for private borrowers—and that at punitive interest rates. This survey examines reactions of banks and other institutions

Runaway public spending

This year the devastating and sordid Banco Ambrosiano affair finally slipped off the front pages, the bank's missing \$1.3bn an issue unresolved and the past involvement of the Vatican looking ever more dubious.

The arrival in August of Sig Retting Cray Italy's

The arrival in August of Sig Bettino Craxi, Italy's first-ever Socialist Prime Minister, seemed a harbinger of change, his campaign replete with promises of action on the country's runaway public-sector spending.

But the sad truth is that Sig Craxi, for a variety of reasons, has been unable to tackle the enemy number one"— a L90,000bn (\$55bn) public sector deficit which next year is expected to rise to more than L100,000bn. The banking system, meanwhile, sits on the sidelines, furious about the way in which high yielding bonds are drawing customer savings away, and monetary controls which make the cost of loans well nigh prohibitive for many borrowers.

There is unanimous agreement that something must be done, and all the big and respectable guns have been turned on the problem of the public sector deficit, now running at a level of nearly 17 per cent of gross domestic product (GDP). This compares with a U.S. deficit, representing around

MITE

IMITE

UK the ratio is below 3 per

By Alan Friedman

The International Monetary Fund (IMF), in a dramatically worded 12-page report, forecast disastrous consequences if Italy's finances were not soon put in order. The IMF letter referred to the deficit variously as a "cancer" and a "time bomb threatening the Italian economy.

independent-minded Bank of Italy published a new Bank of England-style bulletin last month warning that the Craxi budget just wasn't "capable in the short-term of bring-ing about such huge reductions in the public sector borrowing requirement as those indicated."

But no matter how much the

including prime rate, discount rate and Treasury bond yields, is hovering in the high teens. Corporate borrowers find they need to pay anything from 20 to 25 per cent for money (while the recession has reduced credit demand this year) and, even with the abolition last June of Bank of Italy credit controls, the private sector is still likely to be crowded out by the Government's voracious appetite for deficit-battling Treasury bond

"I sometimes wonder if we have a banking system at all," moaned one Milan-based banker whose bank is not part of the 90 per cent of the system which is state-controlled. "How can deposit rates of 10, 11 or even 15 per cent compete with much higher level government securi-

Other bankers in Rome and Milan agree, shaking their heads sadly and acknowledging that in reality the high-yielding Treasury bonds are "the only game in town." It used to be the case that most savers (Italy



Italy's Socialist Prime Minister Sig Bettino Craxi (right) presides over a Cabinet meeting last October with, on his left, Foreign Minister Guillo Andreotti and to his right Vice-Premier Arnaldo Forlani and Defence Minister Giovanni Spadolini

in the world) were content to the Bank of Italy-the agreed deposit their money in banks.

The banks then "intermediated" the money, placing a significant portion in Government bonds. But the process of

"disintermediation" has taken hold in earnest as Treasury issues with maturities ranging from a few months to seven years are being purchased directly by the public.

Strict exchange controls mean that Italian investors cannot really contemplate shipping their funds abroad. And the stockmarket, dominated by the loosely regulated Milan bourse, is too small and too risky to attract many small investors. The same is true on the flip

side of the coin: Italian com-panies, many of them chronically undercapitalised, do not go to Milan and raise capital on the bourse. So the normal route for small and mediumexcept that banks find themties which offer 3 to 4 per cent selves "forced' 'to charge loan real interest rates as tax-free investment?" he queries.

per cent higher than their per cent higher than their facto (and unpublished)

deposit rates. in fairness to the banks, there are reasons why the margins can run so high. (This year the Italian banking association (ABI) estimates that average U.S. deficit, representing around establishment wails, the fact is has a savings ratio of nearly margins are about 4.6 per cent.) 5 to 6 per cent of GNP. In the that Italy's infiction rate, which 20 per cent, one of the highest Years of credit controls from

growth rate for private sector credit in 1983 was 14 per cent -have limited lending oppor-tunities, forcing banks to make

Nominal return

a return where they can.

Equally, stringent reserve requirements (the present system is aimed at achieving a level of 22.5 per cent of deposits) mean that a sizeable portion of bank deposits pay only a nominal 5.5 per cent the prime rate as of last month was 18.75 per cent.

All of this adds up to an unhappy interest rate structure, making borrowing costs high and adding to the Government's own expenses. Some 60 per cent of the public sector deficit represents interest payments on outstanding government securities. Both the banks and the Government would like to see the whole interest rate matrix nudge downward, and indeed it has, by 1 to 2 per cent over the last 18 months.

The problem, however, as one economist puts it, is "chicken and eggish": Confinwill help the Treasury to lower will help the Treasury to lower nervous since the last general its rates on bonds. The Bank of election about their appeal, nor Italy says its need to fight infla- the ambitious Sig Craxi wish

policy. Who moves first? The answer has been neither.

What is the outlook then for but only in August did the monthly indicator drop to 13 per cent. Pragmatists would argue that Italy will be lucky to achieve a 1.5 per cent 1984 growth rate and a 12 per cent inflation rate.

Italy is a highly flexible economy, capable of rapid response world demand, but the lire, although gently declining against most major currencies, is artificially strong outside the EMS, and this is unfortunate as West Germany is a major market for Italian exports.

Although some progress has been made on wage indexation —last January's reduction of the Scala Mobile (inflationpegged wage index) was a major step forward and there are signs of more progress on this front—this is not enough. Public sector spending still dustria, the employers' association, says that banks should needs huge cuts and neither the lower lending rates and this powerful Christian Democrats.

The Italian current account deficit, expected_to be a reason-1984? The Craxi Government able L2,000bn for 1983, has forecasts a 2 per cent growth come down dramatically over rate, compared with a decline the past two years, largely beof more than 1 per cent this cause the recession reduced impear. Likewise, the optimists in ports. But a recovery in the flation rate a year from now—rise in imports, with attendant but only in August did the balance of payments problems. As for the private sector, traditionally squeezed out by heavy government borrowings

and monetary controls, the formal abolition of credit controls this year does not seem like a panacea. Even Bank of Italy admits the bankers' lament that informal "moral sussion" means the formal abolition of controls is not very significant. One managing director of a top Italian bank says simply: "The credit ceiling has been abolished, but it has not really been abolished."

Still unravelling

It is not just the deficit which continues to overhang the banking scene, however. It is now 18 months since Sig Calvi's body was found hanging under Blackfriars bridge in the City of London and the affair is still

unravelling.

CONTENTS Structure Borrowing State aid for industry Profile: Francesco Cingano IV Merchant banks Leasing Small businesses VI Profile: Ken Bromley VI Bank of Italy VЦ Profile: Guido Vitale VII Retail banking VIII Money markets VIII Milan Bourse \mathbf{IX} Profile: Ettore Fumagalli Aftermath of Ambrosiano X Profile: Banco di Napoli X

commission, set up by the Italian Government and the Vatican to discuss the Vatican's bank's habilities for \$1.3bn of Ambrosiano funds channelled through Caribbean and South American dummy companies which the Vatican has acknowledged that it technically controlled. lengthy discussions.

It now appears that the Vatican may well make a contribution towards the debts, but it remains unclear just how and when. Meanwhile a group of 93 banks led by NatWest and Midland continue with their legal actions against the successor bank, Nuovo Ambrosiano. for the recovery of \$450m of loans made to the collapsed Banco Ambrosiano holdings subsidiary in Luxembourg.

Nuovo Ambrosiano says it has no obligations under Italian law, and the prospect of a direct legal action against the Vatican Bank came closer last month when Touche Ross, the London accountants charged with running the old Ambrosiano Luxem-bourg holding company, hired a top London law firm to draft a writ against the Vatican's Institute for Religious Works (I.O.R.). The writ is seen as a last resort and most people hope it will not become neces-

BANCO DI ROMA: THE BEST WAY TO REACH ITALY.



agencies in 30 countries

and 5 continents, is attuned to the needs and requirements of today's business world. Its expert staff can immediately help you solve any problems you may have wherever they arise.

All its services are backed by 100 years of experience and by a reputation of which Banco di Roma is justly proud.

From sophisticated transactions in international money markets to normal counter operations, from the sale of lire at the most competitive rates on

the market to the issue of lira travellers' cheques for tourists going to

Italy, from the financing of important projects to the solution of minor short-term cash-flow problems, Banco di Roma always provides a thorough and swift service.

Italian goods, Italian industrial products, important Italian projects and technology: Banco di Roma has the key to all of these. And when you deal with Banco di Roma, you receive more than just the services of a great international bank, you get the warm and open-hearted touch of Italy.

sk banco di Roma

INTERNATIONAL PARTNERS: BANCO HISPANO AMERICANO, COMMERZBANK, CREDIT LYONNAIS.

Italian Genius

Maybe it was in Roman times that Venetian glassmaking started. Or maybe new techniques and direction were learned from the Saracen Workshops, around the 12th century. Unfortunately the history is unclear. But there remains no uncertainty about the genius of the Italians who create it, even to this day.

This genius has been flourishing from generation to generation for hundreds of years. From the earliest 15th century examples surviving to today's products, the craftsmen have used time only to perfect their art.

Reproduced by kind permission of the British Museum.

But perhaps that's a familiar Italian trademark. It's certainly one that Italy's foremost bank shows in following the traditions of the world's first paper money dealers from Venice. Today we at Banca Nazionale del Lavoro not only offer a full range of banking services, but also provide the communications contacts essential in international finance. Through our extensive network of offices we provide your link with the Common Market and the rest of the world.

And like the glass makers, who take such pride and care with their work, we believe our clients will find our services based on the same tireless qualities.

Banca Nazionale del Lavoro

London Branch: 33-35 Cornhill, London EC3V 3QD. Tel: 01-623 4222. Head Office: Via Vittorio Veneto, 119, Rome.

Official supporter to 'The Genius of Venice' exhibition.

PUBLIC LAW CREDIT INSTITUTION

PROVISIONS AND OTHER FUNDS

ESTABLISHED IN 1919

LIT, 488,330,295,319

CAPITAL AND RESERVES

LIT. 1,188,690,085,844 LOANS OUTSTANDING

LIT. 18,270,746,739,097

LOANS TO INDUSTRIAL, COMMERCIAL AND SERVICE COMPANIES

TO PUBLIC AUTHORITIES

AND THEIR AGENCIES.

LONG-TERM LOANS

EXPORT CREDITS

ITALIAN BANKING II

Fragmented system with wide range of institutions

Structure

ALAN FRIEDMAN

IN ITALY, to a larger degree than in any other Western industrialised nation, the banks are the mainstay of the country's financial system. While a wide range of domestic and foreign stock markets, Euro-bond investments and various special investment funds is on offer to the average British saver. Italians have no such luxury of choice. Rigidity is the word when it comes to oppor-tunities for Italian savers. The stock markets are small and exchange controls make it impossible to consider offshore investments without incurring

heavy penalties. When a company considers borrowing, it considers banks. When a private investor considers investing, he considers banks or Italian Government securities. In either case he is going through a Government-controlled system; around 90 per cent of Italy's 1,085 banking institutions are state-controlled.

Italians save more per capita than most other people in the world. Their savings ratio of nearly 20 per cent places them alongside the Japanese in terms of conservative personal financial managements. tive personal financial manage-ment. The historical and cultural traditions of Italian savers are such that even during a period of high inflation (this year the average has been around 15 per cent), they continue to save. The Italian Bankers' Association (ABI) estimates that total deposits in the Italian banking system rose by 19.5 per cent between 1981 and 1982, reaching a level of 1.348,624bn last year.

The largest portion of deposits are with the savings banks, of which there are 90, including the giant Cariplo, the Milan-based group which ranks as Italy's sixth largest bank.

Most of the savings banks are tiny, however, many having only a single branch. Last year cent of all deposits.

The Italian banking system is highly fragmented and contains a broad panoply of differ-ent types of institutions. There are three "banks of national interest," which are allowed to operate nationwide branch networks. These are Banca Com-merciale Italiana, Credito Italiano and Banco di Roma, third and fifth largest banks respectively. All three are controlled by IRI, the state holding company.

The national interest banks,

ITALY'S TOP TEN BANKS (Ľ ስቋ)

Bauca Nazionale del Lavoro Banca Commerciale Italiana Credito Italiano Istituto Bancario San Paolo di Torino Banca di Roma 28.75 Cassa Rips. Prov. Lombarde Banco di Napeli Istituto Mobiliare Italiano 21,790 19,309 Monte dei Paschi di Siena

13.7 per cent of the branch network (1,761 branches) and hold nearly 19 per cent of total deposits. The largest among these, Banca Nazionale del Lavoro, is also Italy's top-ranking bank.

There are some 650 small rural and agricultural banks, which together have 1,130 branches but only 4 per cent of all deposits. Some 320 ordinary the Bank of Italy finally removed. Although banks are now the restricted to the disincent stays this is one of the disincent tives to deposit sate of the abolition of aredit controls and greater competitives to deposit sate of the abolition of aredit controls and greater competitives to deposit sate of the abolition of aredit controls and greater competitives to deposit sate of the abolition of aredit controls and greater competitives to deposit sate of the abolition of aredit controls and greater competitives to deposit sate of the abolition of aredit controls and greater competitives to deposit sate of the abolition of aredit controls and greater competitives to deposit sate of the distinct of the

Consorzio Cred. Opere Pubbl

Source: Il Mondo ranking of 800 hanks.

control, which manness tases through reserve requirements, limits on branching and, until receptly, credit controls. The profitability is the result in no small extent to the sheer insefficiency of banks in the transfer of funds. It can often take sure there is a supply of make sure there is a supply of make sure there is a supply of the public savines for "Tioli"

make many a British banker would "intermediate" a predicted that even if the chunk of the public's deposit case hold the 1984 and 4.6 per cent, it is not uncommon for banks to charge up to 10 per cent more on loans than their deposit rates. The reasons for this differential are bound up in the rigid control of the system, a system which in large part is orientated towards helping the Government to fund its ever-increasing public sector.

Would "intermediate" a predicted that even if the chunk of the public's deposit case hold the 1984 and 1985 and 1986 an helping the Government to fund.

Last December, for example, cussions of the Banco Ambroits ever-increasing public sector the banks held 37.8 per cent of siano-affair. Italy does not have deficit.

Reserve requirements are now aimed at achieving a 22.5 per cent share of all deposits. Banks receive only 5.5 per cent

Six public credit institutes, Marlo Monti, economic adviser also state-controlled, account for to Banca Commerciale Italiana, 13.7 per cent of the branch net says this is one of the disincen-

There are some 650 small the Bank of Italy finally removed rural and agricultural banks, which together have 1,130 hranches but only 4 per cent of all deposits. Some 320 ordinary theoretically free to lead as they wish, many of them private, hold nearly a quarter of deposits.

Misleading

Italian banks are among the most profitable in the world but their net profit figures can be misleading because of the extremely rigid system of state control, which manifests itself through reserve requirements, and the Bank of Italy and summones to Rosme still exert what is politicly referred to as "moral sussion." Real credit freedom is still far away. As it happens, recession had made the central bank's fears of a credit explosion fears of a credit explosion the interest of the central bank's fears of a credit explosion fears of a credit explosion fears of a credit explosion the extremely rigid system of state cent limit in credit expansion was agreed for the 12-month period ending this month but

transfer of funds. It can often take weeks for cheques to clear between two banks, even in the same city, and this provides the institutions with an interest-free float. In addition, the banks employ margins which would analy a British banker salivate.

Although the Italian Banks.

outstanding Government securi-ties (with the Bank of Italy depositors and although several holding 11.5 per cent and the public 50.7 per cent directly). By scheme it looks like a political September last the banks' share improbability. "We have not

bonds pay a real rate of interest of 3 to 4 per cent, while most bank deposits gazwide 2 return by some in Rome as a on shadow Bank of Telly say entire Italian interest structure must be by lower. This, however, is easier said then done. The Government is afraid of what would happen to its band programme if rates dropped and the hanks feel they cannot effort to drop

deposit vates for fear of losing still more deposits to the Government securities market. "All of this makes the heak-ing system a hidden tool of facel policy. This has tradition-ally intuinised the policies cost of large forermean defects but

Consumption

with 917 branches, account for interest from the central bank had declined to 33.8 per cent learned the lesson of Ambro-7.2 per cent of Italy's 12,853 on reserves and also must place and the public's holdings had siano." declares Professor branches and last year held 6.5 per cent of new deposits in risen to 58 per cent. This is Monti. "There is still no 11,5 per cent of total deposits. medium-term bonds. Professor understandable, since Treasury depositors' insurance system."

FROM A NEW BANK.

HEAD OFFICE:

TEL. 06-47711

VIA QUINTINO SELLA, 2

TELEX 611020 CRDPRO I

REGIONAL OFFICES:

CORSO EUROPA, 12 TEL. 02-780379/780450

TEL. 081-264566/264781

TEL. 080-216469/232476

VIA ROBERTO DA BARI, 119

VIA MEDINA, 40

ROME

MILAN

NAPLES

GREDIOR

Our Start:

We opened for business under a new name with new management and new shareholders on 6th August 1982. Our share capital is 600 billion lire (US \$ 438 million approx).* Our total staff 3,930.

Our Shareholders:

We are owned by seven prime Italian banks. Three (Banca Nazionale del Lavoro, Istituto Bancario San Paolo di Torino, I.M.I. - Istituto Mobiliare Italiano) are from the public sector. The others (Banca Popolare di Milano, Banca S. Paolo - Brescia, Credito Emiliano, Credito Romagnolo) are leading local banks in their regions.

Their total assets approach 150,000 billion lire (US \$ 109,500 million approx).*

Our Capital Increase:

We will have an increase in capital of a further 150 billion lire under a warrant scheme, approved at our last Extraordinary General Meeting. As a result, our capital will be the highest of any bank in Italy.

Our Customers' Deposits:

In our first financial year, ending June 30th 1983, we have achieved an increase of over 50% in customers' deposits from a low of 1,928 to a high of 2,941 billion lire.

Our Network:

We took over 112 branches mainly located in the prosperous cities of North and Central Italy. By the end of the year our restructuring programme will result in 9 new branches being opened. All in important locations.

Our Subsidiaries:

Through "La Centrale" Finanziaria Generale, our financial and investment company in Milan, we control two important regional banks and a financial service company. All four are quoted on the Milan Stock Exchange. Banca Cattolica del Veneto has 192 branches located mainly in the Veneto region whilst Credito Varesino has 62 branches mainly in the Varese, Como and Milan areas; Fiscambi S.p.A. of Milan operates in the fields of leasing, factoring and real estate as well as in other financial sectors.

NUOVO BANCO *ESTABLISHED 1982*

Head Office: Via Clerici, 2 Milano (Italy) - Telephone (2) 85941 - Telex 320252 NBAFOR I

Representative Offices: New York - Hong Kong - Tokyo

Decline in international loans

Borrowing

PETER MONTAGNON

JUDGE by the views of the International Monetary Fund, Italy ought to be a leading candidate to become the Brazil of Europe.

In a letter last month to Sr Giovanni Goria, the Treasury Minister, Mr Alan Whittome, head of the IMF's European division, warned that Italy faced disastrous consequences faced disastrous consequences bore out this view to some if it failed to cut its budget defi-

For many countries, such a For many countries, such a disclosure would be enough to cut off the supply of foreign credit immediately. Yet Italy and its foreign bankers have long been used to living with the backdrop of large budget deficits and large deficits on the balance of payments. the balance of payments.

Paradoxically enough, this year has seen bankers lulled into an even greater sense of security about Italy. Its cur- Em, the state hydrocarbons con-rent account balance of pay. cern, raised L1,000bn in the ments deficit is expected to be local syndicated loan market. only 1.2,000bn for 1983 and its borrowings on international capital markets have dropped substantially.

In the first 11 months of the year it raised only \$2.85n in medium term syndicated bank credits, according to figures compiled by Morgan Guaranty Trust. This compares with \$3.5bn in the same period of last year. Borrowing in inter-national bond markets has also dropped to \$1.46bn from

In the early part of this year the absence of Italian borrowers from the syndicated loan market was something of a puzzle for international bankers. Some argued that the market had turned against Italy because of the unresolved legal issues surrounding the defunct Banco

Foreign bankers were par-

faced a problem because its previously heavy borrowing had used up much of the available space in lending bank balance sheets. Italy was said to be relying beavily on short term credit lines to meet its needs for foreign exchange.

Figures from the government months of this year Italy's foreign debt rose to about \$55.5bn from \$50.90bn at the end of 1982 with much of the increase accounted for by short term borrowings.

Improvement

the balance of payments.

Although the country does became increasingly clear that not rank as one of the foremost credits in Europe, it has was the improvement in the exalways been an active and ternal accounts which reduced reasonably successful horrower. reasonably successful borrower, the country's need for money. Second was a revival of domestic lending.

In September, for example, This was the largest operation of its kind ever undertaken and the loan was subscribed by no fewer than 84 banks.

It followed hard on the heels of a L150bn issue of floating rate bonds by the Montedison chemical concern which was oversubscribed even before lists opened. As liquidity on the domestic capital markets has improved, it has become less no sary for large borrowers to look abroad for their funds. Nonetheless, Italy's approach to the syndicated loans market

bears all the hallmarks of caution. The Bank of Italy, which monitors foreign borrowings, has always been extremely conscious of the margins paid by Italian entities.

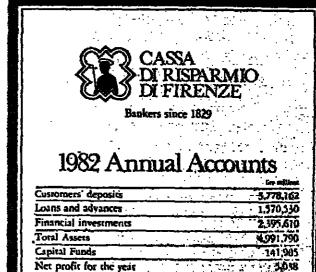
Smaller loans place much less strain on the market than larger ones, and despite the generally rather difficult condi-Foreign bankers were partions in the syndicated loan ticularly incensed at the Bank market this year Italian of Italy's refusal to support the borrowers have not faced much

operations of Banco Ambrosiano Holding in Luxembourg, and actually went so far as to sue the successor bank Nuovo Ambrosiano to get their money back. Rumours abounded of an unofficial boycott by these banks on new Italian business. Other bankers felt that Italy faced a problem because its pre-

Italy is a fairly active borrower in the international bond markets, though here it does tend to suffer from the fact that it is not regarded as a tiptop credit risk. Bond investors are much more selective than banks in the Eurocredit market.
As a result, Italian borrowers may find themselves paying a slight premium over other borrowers in these markets.

yery successful issues.

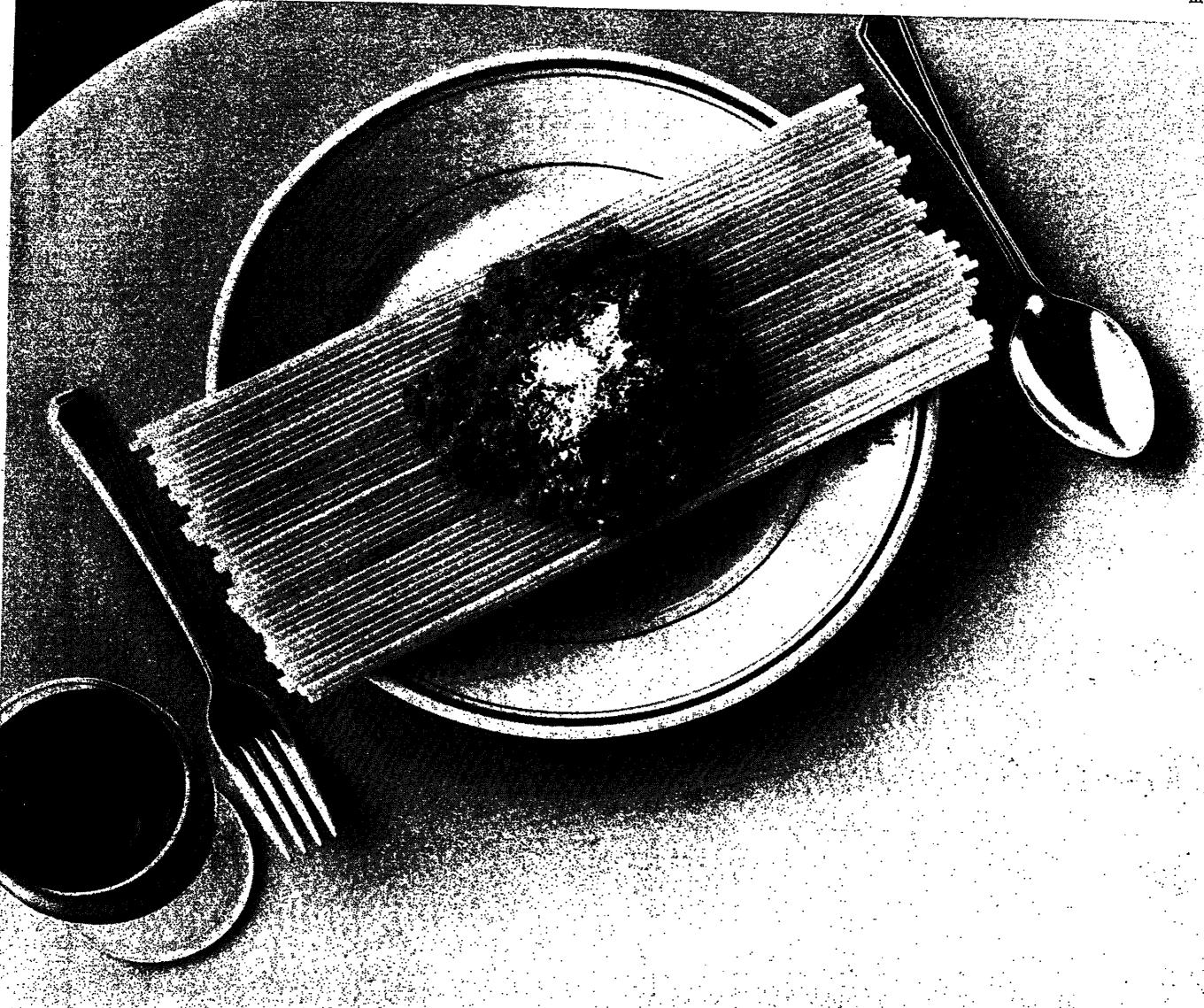
Bankers drew two lessons from the Enel experience. The first was that the sterling float-ing rate note market would not accept an indefinite shaving of terms. The second was an inportant one for Italy—despite the machismo which the Banca d'Italia sometimes displays, its borrowing capacity will always be to some degree limited by the country's high budget For example, the highway the country's high authority Anas recently reised descit and inflation rate.



General Management and Florence Main Office: Via Bufalini, 4-6 - 50122 Fiorence

U.K. Representative Office: Waz Chandlers' Hall, Gresham Street, LONDON EC2V7AD Phone (01) 60.68 223-6-7 - Telex 886529 FIGETV-G Cable Address FIGEVLON LONDON EC2

Loans



It takes a leader to straighten out cash management in Italy.

We are delighted to be able to tell you that our BAMTRAC system of cash management extends to Italy as well.

The latest in banking technology in the country that gave us not only the very concept of banking itself, but also the founding-father of our own bank.

BAMTRAC. Up-to-date cash management technology from Bank of America, that gives you your international operations on-line, in your office.

Information from our subsidiary Banca d'America e d'Italia's 95 branches in Italy.

And, of course, information from the rest of Bank of America's worldwide network. In a matter of moments, at the touch of a button.

Of course, some might say that it's really no more than you'd expect from us.

Who else could give you the answer to cash management in Italy. On a plate. Look to the Leader.

BANKOFAMERICA B

ITALIAN BANKING IV

Heavy call on national resources

State aid for industry

JAMES BUXTON

delle Imprese Bieticolo-Saccarifere (RIBS).

RIBS should be empowered to spend up to L240bn in the next two years on taking stakes in several sugar refining companies which are in serious inancial difficulties. The worst affected is Montesi which owes at least L87bn to farmers for sugar beet crops, and other com-panies between them owe a roughly similar amount. If the creation of RIBS, sponsored by the ministry of agriculture, is approved, at will enject funds into the ailing companies with a view to selling its stakes after five years by which time it is hoped the companies will have

Crisis compounded

The weaker sugar beet refiners are in trouble because they failed to invest in new plant as Italian sugar beet pro-duction rose from the tate 1960s onwards. They accumulated losses and debts which finally got to the point at which they could not pay the farmers who are now refusing to grow sugar beet - thus compound ing the companies' crisis.

Assuming RIBS is approved in something like its original form, which is not certain, it will be a second test case of a new form of government intervention to help industries in difficulty -- an investment company with limited aims and a nxed time limit on how long its participations may be held. The first of its kind was Societa Per La Ristrutturazione Elettronica (KEL), which is so invest L360bn in companies making electronic components, car radios and most important, colour televisions in association with Zanussi and Indesit.

The two investment companies are part of a long Italian tradition of the Government helping sectors in difficulty, par-ticularly where employment may be at risk. The difference

aid is that as Italy suffers perennially high interest rates A FEW weeks ago the Italian and a permanent shortage of Government unveiled a new capital, the state has to step in company which is being to help the private sector offset the country's sugar beet these disadvantages. In the case the country's sugar beet of the electronics industry the refining industry. It presented difficulties could be said to be to parliament a Bill to establish the Societa per il Risanamento ment's own making since it dithered far too long before deciding what kind of colour TV system to adopt, by which time the market had been laid open to well-prepared foreign com-

> No one denies that colossal sums of government money have been lost on rescuing companies that never recovered and perhaps should have been allowed to fail, while there are laws which enable companies to survive that would otherwise have gone under. At least part of the capital shortage that the country faces is due to the fact

PROFILE: FRANCESCO CINGANO

was fixed and the organisation interest for certain industries has stakes in nearly 200 companies, employing about 25,000 Government is supposed to top people, and turnover of about L900bn. But it also has accumu-lated losses of L1,164bn at the end of 1932 and by June 30 this year had absorbed nearly 1.2,500bn of government funds of which it had disbursed

Barely salvageable

GEPI's empire contains a few reasonably strong companies, such as Maserati, the car maker but also many weak ones in almost every sector from engineering to tiles. Usually what has gone wrong is that either the companies were barely salvageable in the first place, or the arrival of the CFT waste. that so much is locked up in the arrival of the GEPI created companies which do not have a confidence that the company future, but which it is considered important to keep going sequently felt any pressing need for political passage. for political reasons.

It is almost unheard of for a company of any size in Italy to go bankrupt and disappear. If such a company connect he kent to see it back in profit. Where profits are made they do not always come the way of GEPL.

GEPI is owned 50 per cent by Italy to go bankrupt and disappear. If Italy to go bankrupt and disappear. If Italy to State State

go bankrupt and disappear. If IMI (Istituto Mobiliare such a company cannot be kept Italiano), the state-owned going by any other device, it has medium term finance corporausually in the past been handed over to the state holding companies IRI, ENI or EFIM, to take care of. Most of ENI's vast

not received approval from the Common Market which looks critically at state aid for industry under its competition policy. RIBS is likely to be subjected to similar ecrutiny.

The justification advanced by the Government for this kind of aid is that as Italy suffers perennially high interest rates

The product of the interest rates are due to its forced tutions by Mediocreditic companies were ever success. Centrale, Crediop, IASM and a fully put together to help SIR tumber of other institutions for and Liquiditimica, two failed the development of the south of chemical companies, mainly because their difficulties did not poorest parts of Western appear to the banks to be many set up in 1971 to promote the "reconversion" of the country. They have since dispensed in large part into the companies in financial or management of these funds are dispussed on concessionary.

There is also the Prodi Law, are dispussed on concessionary.

gerial difficulties with a view to are disbursed on concessionary aiding employment. No time terms under laws providing for limit for GEPI's intervention subsidised loans at low rates of up the loans. The Government can also

hand out funds for industry under special laws. The best known of these is No. 575 of 1977, which provided for sub-sidies on investment of up to 14.500bm. Yet the law expired last year without a single lira being disbursed under it, partly because the banks would not agree the procedure under which funds would be handed

would be mainly large com-panies, such as Finsider, the panles, such as Finsider, the state steel concern and Monte-dison, the chemical company and would go to assist industrial restructuring, upgrading of old plants and investment in new. Flat, though healthy, is due to receive substantial sums under this law for the launch of the Uno car, achieved without government financial assistance at the beginning of this year. at the beginning of this year.

Another measure, Law 902 of 1976 was designed to assist small and medium-sized businesses in the centre and north nesses in the centre and north of the country with investment. By the end of last year some 2,500 applications had been accepted and L500hn dishussed.

The most recent law, approved in early 1982, provides implement on state-considisted into the provides in the provides in the provides in the provides on state-considisted in the provides of their provides on the provides on the provides on the provides on the provides of their provides on the provides of their provides on the provides on the provides of their provides on the provides of their provides on the provides on the provides of their provides on the provides of their provides on the provides of the provides on the provides of the provides on the provides of the provi 1.234bn for cars and 1.10bn for the creditors. industrial vehicles. Nothing has Given those pungent criti-yet been paid, however, because clams, and the fact that with so of the usual bureaucratic diffi.

Another law, which day 787 of companies which excely have 1978 which allowed banks to very good prospects, it is form consortia to rescue companies in temporary financial ably healthy Italian companies difficulties, and consolidate do succeed both in investingtheir debts. In the case of Italian investment levels at the Pirelli and Saia Viscosa file law beginning of the decade were worked well, and both com- among the highest in Europepanies have recovered. But no and in foundhing.

There is also the Prodi Law, named after Professor Romano Prodi, a former Minister of Industry and now chairman of first. Otherwise called law 95 of April 1979, it gives the Government power to appoint a special commissioner to admini-ster companies in financial trouble, and allow them to borrow from the banks under a Treasury guarantee. It thus offers a more favourable form of receivership than that which the law normally provides, but access to the Prodi Law is at the discretion of the Government.

Another device

Though the Profi Law does mot in itself entail the Government making payments, it is another device which tends to wher device which tends to divert funds from the banking direct funds from the benking system away from the benkinger concerns to the weaker companies whose future is often uncertain. A few weeks ago Parliament, having altered the Profit Law specifically to enable a small that polluteally influential publishing company, Einand, to benefit from it, charply referred the law theff. The criticised the law itself. The system of financing did not work, Parliament said and many companies only fnanced themselves by not paying their current debts thus accumulat-ing further buriens. Few of the recovery programmes the companies thew up ever came to traition and most of the conpanies were in permanent loss. with 40 to 50 per cent of their

much money, both government Another law, which has had and private, diversed by law to ishing that so many reason

FOUNDED IN MILAN 1888 Lit. 77,416,274,818 CHPT AL AND FESERVES MOSCOR 95. LEED OFFICE MISSIO, VIS 4818 MOSCOR 95. with RIBS and REL is that this time the authorities are trying to do the job more cleanly and Sig. Francesco Cingano-" The problems of our eco less wastefully than in the past and within set time limits. of others cannot be solved by monetarism alone." stacles to be overcome for both companies. The birth of REL Academic with firm took several years, from the first difficult allocation of funds to agreement on the final form of the company, and REL has still grasp of reality

FRANCESCO CINGANO, chairman of Italy's second largest bank, must be about the only person in Milan who stays in the city at weekends. Whereas most of Milan's financial elite would not be financial clife would not be caught dead in the deserted city on a Saturday or Sunday—the lakes, the Riviera, the ski slopes and the Alps all beckon—Dr Cingano says he likes to remain in his apartment and read books on economic history.

The 60-year old chairman of Banca Commerciale Italiana (ECI) is not a brusque, cut-and-thrust Milanese banker. He is from a little town in the Veneto region of North

He is from a little town in the Veneto region of North east Italy, not far from Venice.

He is a quiet man with a sharp sense of humour who 40 years ago studied law but prefered French and English literature. He joined BCI in 1946, a few weeks after graduating from the University of Padua. "I entered BCI because my university suggested I should enter BCI," he recalls.

He has a strong interest

BCI," he recaus.

He has a strong interest
in preserving art, and spends
time as a director of the
Fondo per l'Ambiente Fonds per l'Ambiente Italiano, the Italian equiva-ient of the National Trust. His academic interests are fulfilled by his membership on the board of the presti-gious Bocconi University in Milan and by his work for the Mattioli Foundation for the study of economic history. Married with three children. Dr Cingano recently received the title of "Cavallere del Lavoro," a distant relation of the British OBE.

Slightly ruffled

Seated in his spacious office overlooking the Piazza della Scala, Dr Cingano looks slightly ruffled when asked to apply his knowledge of economic history to the monetarist policies pursued by the Britain.

He reckons that "the British experience has significance for all of Europe" and particularly praises the 1979 UK abolition of exchange controls. But he is no firm believer in the Milton Friedman school of thought: "The problems of our economy and of others cannot be solved only by monetarism."

Like other Italians involved

in finance, Dr Cingano believes (along with the International Monetary Fund) that Italy "must achieve an economic policy which is far more rigid." He sees the present aftempts by the Government of Prime Minister Bettino Craxi to cut public spending as "the minimum, the starting point."

'Also like other leading Also like other leading Italian bankers, Dr Cingano admits the difficulty of making any progress in the battle against Italy's spiral-ling public sector deficit.

Secular arm

What about the way in which Italy's banking system, which is 80 per cent state-controlled, is used by the Government to supply funds for the deficit? Dr Cingana, chairman of a bank which is 89 per cent owned by IRI, a state holding company, is not in a position to make radical in a position to make radical statements. But he puts his view across quite blantly: "The banking system is the secular arm of a monetary policy which must always serve the Treasury's growing

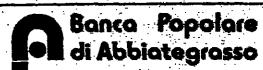
needs at the expense of Italian industry."

The banker, opines the BCI chairman, is thus limited in both his operational choices and in his managerial responsibility. The banks must fulfit the wishes of the monetary authorities, who "follow policies which are aimed at making-up for the absence inefficiency or contradictions of an irresolute national economic policy." This has "flattened" the profile of the Italian banking system and it is up to banks like BCi to operate as an "entrepreneurial concern."

How is this to be accor plished? Dr Cingano does not have all the answers. He refers to the expansion of international activities and to the development of corporate lending—all within the limits imposed by authorities, of course.

There are frustrations apparent in the Cingano thesis, the frustration perhaps of a man who heads a 383-branch banking group which is inextricably woven into the Italian financial fabric. An aficionade of the academic side of banking history, he remains none the less a cool practitioner at heart.

ALAN FRIEDMAN



Financial year 1982 (in billion lire) Funds administered Customers' deposits 527 189 Advances in cash Acceptances and guarantees 25 Capital funds 116 Net profit 7,9

Founded 1890. 18 Branches in the province of Milan.





FUTURE AND TRADITION

42 BRANCHES in different important areas as Pescia Montecatini Terme Monsummano Terme

> Head Office: Pistoia - Via Roma, 3 Telex 570268 Carpit Telex 572241 Carest

we know how to help you

BANCA DI VALLE CAMONICA - BRENO (BS) BANCA LOMBARDA DI DD. E CC. - MILANO BANCA S. PAOLO - BRESCIA

CREDITO EMILIANO - REGGIO EMILIA

BANCO DI DESIO E DELLA BRIANZA - DESIO (MI)

Commercio e Industria

Banca Popolare

TOTAL ASSETS Lit 2,198 BILLION

BANKING ASSOCIATION TO PROMOTE AND DEVELOP DOMESTIC AND INTERNATIONAL BUSINESS

BANCA SELLA - BIELLA (VC)

to operate more profitably in the Italian market.

Banco di Sicilia can help you enlarge your business presence in Italy and abroad through its International Banking and Marketing Services.

Call us. We can assist you throughout Italy with 303 Branches and worldwide in Frankfurt/M., London (Licensed Deposit-Taker), New York, Brussels, Budapest, Chicago, Munich, Paris, Zurich.

Banco di Sicilia

London Branch/Licensed Deposit-Taker 99 Bishopsgate, London EC-2P

Fresh initiative to improve supply of risk capital

Merchant banks

JAMES BUXTON

THE PALAZZO, in the Pizzza Venezia in Rome, used to be the home of Napoleon's mother. The walls and ceilings are magnificently frescoed, the floors are of polished marble. The inhabitants, however, are not courtiers: they sit at the sleek desks of the modern office, each with its personal computer. The principal floor of the patazzo has been transformed into a merchant bank.

Italfinanziaria Internazionale, by Istituro Mobiliare Italiano (EMI), the state-owned medium-term finance corpora-tion, is one of the first of a new kind of financial institution for Italy — the banca d'affari, a merchant bank providing financial service and taking temporary stakes in promising companies. Along with Sofipa, owned by Mediocredito Centrale, situated near the Villa Borghese, it represents Rome's attempt to become the merchant banking capital of Italy.

Perennial problem

The are aimed at solving the perennial Italian problem: lack of capital. Rare indeed is the Italian company which is well capitalised; many are chronically undercapitalised and rely far too heavily on bank borrow-ing for most of their funding. The problem has lately become acute. The colossal demands for the Government deficit makes interest rates at astronomic levels at a time when recession is eating into company revenues.

There are two basic reasons for the general shortage of One is that the stock capital. exchange has never succeeded in generating large amounts of risk capital, partly because it has been distrusted by investors for so long, and partly because the Government has always creamed off most savings to fund its own operations. However, the net issue of new shares on the stock exchange rose from L3,085bn (\$1.86bn) in 1980 to L7,186bn in 1981 and L6,004bn in 1982.

stage of development than their equivalents in, for example, Britain, and in small companies the idea of bringing in new But even in one of Italy's big-

bbottes (III)

gest companies, Zanussi, the imperative of the family to keep absolute control has brought about the almost total suffocation of the company in debts.

Italian companies finance themselves mainly by borrowing from a network of banks—there is no shortage to choose from and a large Italian company will have accounts with up to a hundred. Although the com-mercial banks can only lend for a year at a time, in practice loans are rolled over from one year to the next and banks are in effect financing working capital.

There are also medium-term credit institutes, mostly stateowned or controlled, such as IMI, Mediocredito Centrale, Crediop and many others, whose alm is mainly to provide medium-term funding for companies. Most of them obtain their funds from the commercial banks who subscribe to their bond issues.

This does not solve the over them by the banks. If Florence, which specialises in things are to change, the stock building glass making plants exchange must become a more attractive and easier place in clothing, ceramics and so on. which to raise capital—the forthcoming introduction of unit trusts is a step in that direction and the mentality of the Italian entrepreneur change too. The success of the new merchant banks and those that follow them depends heavily on these conditions

The merchant banking idea received a strong endorsement have from Dr Carlo Azeglio Ciampi, of t Governor of the Bank of Italy, in his annual address last May. "The development of merchant banking activities would help medium-sized firms grow bigger and stronger and would pave the way towards stock exchange listing. Looking to the future these activities could usefully complement the operations of unit trusts and increase their investment opportunities."

The banks, he suggested, could set up institutions to do this, possibly in collaboration with other participants.

The only concern which has for long operated like a merfor long operated like a mes-chant bank on the lines Dr companies during a person of Clampi suggests is Mediobanca, growth, says Dr Giogio Tellini, the managing director. controlled by Credito Italiano, Banca Commerciale Italiano, Banca Commerciale Italiano, and reluctant to enlarge their Banco di Roma. It has sizeable participations in many of the to others—and thus diminish their control. Many Italian businesses are at a much earlier in the control of the larger Italian companies and businesses are at a much earlier in the control of the larger Italian companies and businesses are at a much earlier in the control of the larger Italiano, and the larger Italiano, and the larger Italiano of the larger Italiano companies and the la in reconciling and advancing their interests. But its activities are mainly confined to large, established concerns, not to the rising small and medium-sized companies

Italfinanziari Internazionale is

banking on a par with Medio-banca. It was set up in its pre-sent form at the end of 1981 with capital of L120bn which is now being raised to L170bn. Its aim is to take stakes of up to 20 per cent in medium-sized companies with sound manage-ment, advanced products and ment, advanced products and good development prospects— companies, as Dr Cesare Rosa, the managing director calls them, that qualify like the fine wines of Italy for the label DOC Controllata.

Investment stakes

By the end of June this year. when the bank reported a net profit on the year of LA78bn, it had L137bn worth of invest-ments of different kinds on its books. It owns 10 per cent of Comau, the Fiat subsidiary which is a world leader in factory automation, a 20 per cent bolding in Buffetti, a traditional problem of how companies can office materials business, 20 per obtain more equity, and cent stake in Inglen (Inter-diminish the control exercised national Glass Engineering) of

The intention is to hold stakes in the companies for up to five years (two to three years in the case of the larger companies), providing them in the meantime with financial services from the rest of the IMI group (Italfinan-ziaria itself has only a staff of 15) and then launch them on the stock exchange. In three to four years time the bourse will have changed, with the arrival of the union trusts, says Dr Rosa, who is 44.

Sofipa, Italfinanzaria's rival, was established about the same time as Mediocredito Centrale, which finances a chain of regional medium-term credit institutes and also provides much of Italy's export finance. It is oriented towards rather smaller companies than is Ital-financiaria. So far it has taken two participations, both in clothing manufacture, but it is study-ing proposals for investment in engineering and other sectors. It envisages holding stakes in its companies for up to five or six years. We want to get into companies during a period of

ning to set up merchant banks, and a number of Italian banks acts as an imaginative broker are setting up merchant banking operations in London, which among other things should earn them experience and knowhow in a financial centre where this sort of activity is better known.

If the merchant banks are

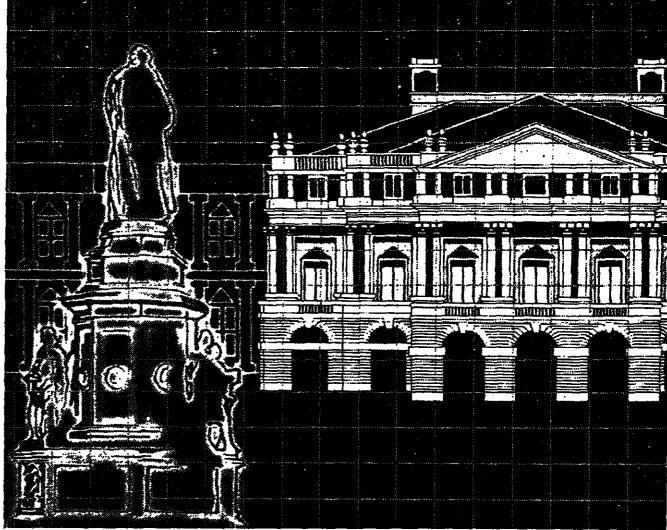
the spearhead of IMI's attempt, still only in their initial phase, under Dr Luigi Arcuti, to become a force in Italian merchant under way in Italy. However, one company, Finnova, has been set up by a group of industrialists, including Olivetti and Mondadori, with the participation of IMI through Ital-Finanziaria, to provide venture capital finance. The difference capital finance. The difference between venture capital and the merchant banking is that venture capital is more of a high risk operation, involving invest-ments in companies often in their embryo, with a good idea or a product but not necessarily an established market.

The head of Finnova is Sig Jody Vendes, a 33-year-old Milan-based financier. Finnova has studied hundreds of pro-jects and so far taken one participation—a 40 per cent stake in Data Consist, which has annual sales of L20bn in telematics and electronic alarms -though Sig Vender stresses that Finnova's ideal investments would be in companies with L3bn to L4bn turnover. The emphasis is on new ideas and advanced technology.

Sig Vender is a somewhat gloomy prophet of venture capital in Italy. In a speech to a conference on the subject organised by Olivetti (which has had considerable success with venture capital invest-ments in the U.S.) in Venice last summer, Sig Vender spelt out the hindrances to venture capital in Italy.

They were, he said, the very high rate of capital gains tax which would make it unattractive to sell holdings; the fact that tax exemptions favour those who invest in Treasury bills at the expense of equities; the inadequacies of the stock exchange as a place to realise an investment; the lack of interest by big companies in investing to acquire technology; the problems many entre-preneurs have in drawing up a business plan; and their reluctance to admit outside

Much of what he said coyld have been applied to the new merchant banks, their existence is proof of the fact that atti tudės and methods in Italian finance are changing, and of a belief that they will change



Milan adds another dimension to Arab Banking Corporation.

Arab Banking Corporation (ABC) is now offering a complete range of international banking services through its recently established branch in Milan as a complement to its offices in major international financial centres.

Located in the heart of Italy's industrial and commercial north, the Milan branch will focus on the strengthening of commercial and financial relations between Italy and the Arab world. It will also further augment ABC's growing international branch and subsidiary network by servicing business requirements in Italy for other regions of the world and by directing business to Italy from its other offices.

Led by a team of experienced professionals

with international as well as Middle Eastern expertise, ABC is well placed to provide assistance to Italian companies and to businessmen with interests in Italy by developing business opportunities and by providing financial packages designed to meet specific customer requirements.

Founded in 1980, ABC has maintained a steady pace of growth through commitment to diversification of its product lines and to the establishment of a permanent presence in the key financial markets of the world. Supported by an equity of approximately US\$ I billion and by total assets on 30 June 1983 of slightly over US\$ 8 billion, ABC has a solid base for continued growth and expansion.

The Bank with performance and potential.

Milan Branch: Vis Santa Maria Fulcorina 6, 20123 Milan. Telephone: (02) 801 J 31. Telex: 322240 ABC MI I. Head Office: Bahrain. Branches and subsidiaries: New York, London. Singapore, Grand Cayman, Frankfurt, Monte Carlo. Representative Office for Continental Europe: London.

Emergence of significant new growth sector

Leasing

JAMES BUXTON

DESPITE ALL the huffing and puffing of the past few years about the need for the Italian banks to change and innovate, the innovations that have actually occurred have been few. Among those that have, by far the most sweeping and significant has been the growth of leasing.

In many ways Italy is a country peculiarly suited to leasing. Capital is always scarce and Capital is always scarce and businessmen like to be fiexible and discreet. A businessman who has a network of leasing contracts for different parts of his operations with different leasing companies—some of them even outside his home town—has the security of knowing that no single finance company or bank has overall knowledge of all his affairs.

Promising avenues

It is no coincidence that it was the foreign banks, which began coming to Italy in large numbers in the 1970s, which gave a major push to the development of leasing, as they did in other crees of banking did in other areas of banking. This move was immediately matched by Italian banks, many of which realised that in view of the blocked development of ordinary banking operations, lessing, fectoring and other " para-banking " offered some of the more pro-

mising avenues of development. In 1980 Italy ranked as the third country in Europe in the value of new leasing contracts, after Britain and France but Italy—about 3,000 at the last labeled and labeled as the last leasing companies operating in Italy—about 3,000 at the last In 1980 Italy ranked as the

The major banks almost all year - show growth in new

set up leasing subsidiaries and contracts of 11.6 per cent the savings banks and other compared with the year before, groups of banks formed con- substantially below the rate of sortise to enter the new market, inflation.

Foreign banks such as Barclays kn an set up a chain of leasing competitive panies throughout the country often in partnership with local banks to create a blend of local knowledge and imported

technical expertise. owned by a complex consortium of savings banks and other in-stitutions. Last year it had leasing revenues of L249bn and leased assets worth IA62bn. In ance and technical co second place was Locafit, owned the asset being leased, by Banca Nazionale del Lavoro, whose leasing revenues rose by almost 50 per cent in 1982 over 1981 to L227bn.

The classification also showed

Barclays Leasing in seventh place, with revenue of L120bn place, with revenue of L1200n and Citifin, part of Citibank, just behind in eighth place with revenues of L107bn. Barclays Leasing income rose 67 per cent in 1982 and that of Citifin by 77 per cent, Citifin also made easily the biggest profits — L11bn against Centroleasing's L5.5bn and Barrlays Leasing's modest and Barclays Leasing's modest L1.7bn. Barclays has suffered the effect of heavy losses made on a leasing contract to a Turin company which went into receivership.

Although the banks are important as owners of leasing companies, major participants in the table include Olivetti Leasing (14th place in 1982) and BMW Leasing (19th), each operating in their specialised

The basic problem the major shead of West Germany, count when one takes into earthmoving equipment and Between 1976 and 1981 new account the great number of with the Italian importers of Between 1976 and 1981 new leasing contracts grew at small local organisations reflect-between seven and 23 per cent ing a fragmented banking machines. In these arranges year in real terms, while the value of existing contracts rose each year by between 14 and 20 The most recent figures — for by Innofit while the other the first nine months of this partner will deal with sales and maintenance.

In an increasingly com petitive market one possibility for the major companies is to move into more sophisticated forms of leasing. A few weeks ago Locafit announced the creation of Innofit, the vehicle The biggest leasing company by which it is going into oper-in Italy today is Centroleasing, stive leasing. This is the form owned by a complex consortium of leasing whereby the leasing company not only finances the transaction but also handles the insurance, servicing, maintenance and technical control of

Useful device

With operative leasing the leasing company often reacquires the asset at the end of the leasing period. It is a particularly useful device in fields such as automation equipment where obsolescence be very rapid but for the leasing company it requires a far higher level of sophistication and managerial time. Looked at another way, however, it could simply be called financed

In any event the leasing companies offering operative leasing need additional knowhow and Innofit is a joint venture between Localit and the French operative leasing company, Innobail. Innobail is taking 20 per cent of Localit and Locafit 10 per cent of Innobail but the major transfer is likely to be of knowhow.

The new company Innofit has leasing companies complain already made an agreement about is that the market is now with Olivetta to set up an operative leasing company and is to do the same with Volvo BM of Italy for the distribution of industrial vehicles and maintenance.



Twelve years ago, the concept was created of a banking group of a kind the world had never seen before.

A group in which every Arab country would participate with a major and significant banking presence.

A group which would then force partnerships with major banks in the world's financial centres, so as to smooth every possible path to trade between Arab countries and the outside world.

Today, that group is a thriving reality. All twenty-two Arab countries are fully represented through twenty-six Arab institutions. And twenty-three of the world's greatest concerns add their full weight to our common purpose.

This makes the AL UBAF Banking Group unique. It means that any corporation seeking to do business with any part of the Arab world is almost certain to consider us as a business partner. However, there is considerably more to

the AL UBAF Banking Group than our undoubted ability to open doors. The Group's banking activities are

unusually diversified, and remarkably successful by any standard.

You would naturally expect us to be strong in the Money Market, We are. In 1982, turnover there alone was \$300 billion.

Perhaps less obvious were our Total Footings which, in 1982, reached \$14 billion.

Foreign Trade turnover totalled \$6 billion. And the Group was lead manager, co-manager and participated in numerous syndicated loans to the value of \$62 billion.

These, frankly, are performance figures which give the Group the right to be considered as a primary partner in any dealings with the Arab world.

It's business, of course, but to us it goes beyond business.

And as our record shows, it works.



BANKING GROUP ALUBAF Azab International Bank E.C.

UBAN International Limited. UBAF Bank Limited. UBAF Financial Services Limited. UBAE Arab German Bank S.A. Branch in Frankfurt am Maist UBAF ARAB AMERICAN BANK Branch in Cayman

Union de Banques Arabes et Françaises - U.B.A.E Branches in Bahrain, Seoul, Singapore, Yokyo. UBAE Arab Italian Bank S.p.A. Representative Offi ative Office



RONGAGLIA OPR YEOLIGET EEA EOAGE EVILLIM KIKASE STOT

enable of housing a Roncepile OPR milling plant of any capacity

Ever-increasing energy costs compel the flour milling industry to give serious consideration to the daunting economic prospects involved in a new plant - buildings, fuel, tran-

aportation and services. In many instances, the returns associated with conventional mills do not warrant the investment because of the inevitable tying-up of capital for long periods. But, now there is a

of these problems. It is the Roncaglia OPR System, internationally pa-

As the world moves towards the 1990's, the Roncaglia OPR System meets the challenge of this decade by giving the flour milling industry a concept of production enjoyed by many since 1953 that at the same time meets the need for spaceage technology.

Roncaglia OPR mills can be part of an existing plant or they can be "turnkey" operations from cereal intake to final packing and bulk han-

Roncaglia OPR mills can be housed with a minimum of fuss in any simple height. They can be pro-ducing flour from wheat as from maize; oat, barley, rice, rye, sorghum, millet in a matter of months from first ordering the plant. Even mills as large as 500 m.tons of wheat per 24 hours capacity average only 12 months from

inception to full production. This speedy completion of the project is entirely due to the

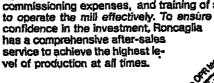
unique Roncaglia OPR Milling System.
The first consideration is the elimination of the plansifter which requires large buildings with conventional installations. This need has been overcome by the patended airsifter, which uses air currents and a simple sieve. The airsifter obviates the need for the multi-storey concept, thus making economic considerations viable.

The Roncaglia OPR mill of whatever capacity can be housed In any simple building of five metres clear height. It is the only mill that can be built up from a small initial unit, or can have a number of units running side by side, milling different cereals. It is the only plant that does not need considerable

remodelling for changes in flour specifications. No other mill-building company can guarantee its products for 10 years nor can anyone assure a break roll life of as long as six to eight years without refluting. It reduces levels and offers economies in staffing. The con-cept of large buildings inevitably means high energy and maintenance costs on top of the cost of the construction itselt. Site selection and preparation can involve much expense and difficulty, especially if there are environmental com-

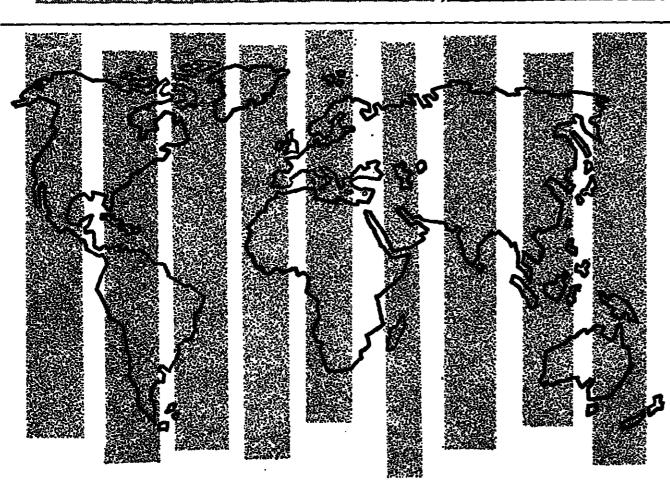
The Roncaolia OPR System eliminates many of these difficulties, not needing much more than a simple foundation for a portal framed structure that complies with requlations of planning authorities. In many in-70% in capital costs. Every Roncaglia OPR

System, whether large or small, includes erection and commissioning expenses, and training of staff





P.O. Box 519, 41100 Modena, Italy **OPF** Phone: 39-59-218899 (Series) 218551 (Series) Telex: 213384 216089 510169 RONCAL I



To handle your business with banking capability and skill

500 Branches in Italy. Subsidiary, Branches and Representative Offices located in Luxembourg, Buenos Aires, Brussels, Frankfort on the Maine, London, New York, Moscow, Paris, Sofia and Zurich.

CORRESPONDENTS THROUGHOUT THE WORLD



LONDON: P.&O. BUILDING, LEADENHALL STREET EC3V4QQ NEW YORK: 277 PARK AVENUE, N.Y.10017

High cost of borrowing worries small businesses

THE CRACKS are beginning to appear in a vital part of the Italian economic structure. The small and medium-sized businesses, which account for more than half of the industrial production and nearly half of Italy's exports are facing sharply declining profitability, they are also finding it hard to finance their losses out of their own resources.

The immediate causes are the recession and the high interest rates of the past two years. But these factors are accentuated by the underlying financial weaknesses of many small and medium-sized companies: too great a reliance on short-term credit, the inadequacy of state schemes for assisting small businesses with their invest-ment needs, and the difficulty of finding lower cost medium-term finance to ease the high cost of short-term finance.

The Italian small businessman has been caught unpre-pared, since the basis of his success in the past—expanding world markets and lower cost money—no longer exist.

listat census, firms employing overdrawn. If for a few days between 10 and 99 employees a £10,000 overdraft goes to increased in number by 44 per cent on this sum.

The cost of money is further

Higher losses

But an analysis by Medio-banca of 270 medium-sized husinesses shows a sharp increase in their losses between 1981 and 1982. This result is confirmed by another study of the important Emilia-Romagna region where profit forecasts for 1983 show serious down-turns—a blow to those who look

research and technology. Here of a major state initiative for he has not been assisted by the banks' insistence on his providing "solid" guarantees for his (£4.6bn) for industrial reconversion schemes.

MICHAEL GRIFFITHS, who runs a small business in Perugia, explains the financial problems which small and medium-sized businesses face and the inadequacies of the Italian banking system in overcoming them

While profits continued to be satisfactory he had little need for short-term borrowing. When profits started to decline he had little alternative but to increase bank overdrafts to finance working capital, and here his prob-lem begins. By background and experience he has little finan-cial experience and his problems are further compounded by the fragmentation and complexity of the Italian banking

It is not unusual to find a small company with overdraft facilities of say L100m (about £40,000) spread between eight or 10 banks. His bargaining power to obtain best rates is thus reduced and he will be lucky to get an overdraft at a base rate under 23 per cent.

Small and medium-sized businesses play a crucial role in the Italian economy, giving jobs to nearly 8m people, half the total workforce. They have expanded employment in excess. Further, he will pay a an impressive way in the past 0.125 per cent commission on 10 years: according to the the maximum sum he may be

The cost of money is further increased by the Italian system of "Giorni di Valuta" (value days) where an account will not be credited with the amount of cheque from a bank outside that region for seven or eight days after it has been deposited (two or three days for a local hank cheque).

The result of all these factors will be to increase a base rate of 23 per cent to at least 28, if

Interest charges as a percentdeveloped industrial economy.

The task of small businesses in responding to this changed environment, which places much more importance on selffinancing and the need for is made more difficult by the complex nature of Italian shortis made more difficult by the complex nature of Italian shortterm credit.

An underlying characteristic of the Italian small businesses, and is that he has probably invested everything he has in his business with an overemphasis perhaps on bricks and mortar to the exclusion of the Italian small business on the large emphasis perhaps on bricks and mortar to the exclusion of the Italian small business and mortar to the exclusion of the Italian small business and mortar to the exclusion of the Italian small business as a percent, and each guarantee for a fixed amount the loan, which has to be approved by a committee of members, plus the food and providing the funds.

The local regional government will recognise the special medium-term finance, is made more difficult by the complex nature of Italian shortterm credit.

An underlying characteristic of the Italian small businessman, Moreover, legislation favours the large emphasis perhaps on bricks and mortar to the exclusion of the Italian small businessman business and mortar to the exclusion of the Italian small businessman business and mortar to the exclusion of the Italian small businessman business and mortar to the exclusion of the Italian small business and mortar to the exclusion of the Italian small business as a percent of a fixed amount the loan, which has to be approved by a committee of members, plus the funds.

The local regional government will recognise for small business and an annual contribution to a risk fund, which the small business the individual firm guarantees. Legislation for the bank providing the funds.

The local regional government will recognise for the small business and annual contribution to a risk fund, which the small business and the individual firm guarantees. L emphasis perhaps on bricks Confapi (the Italian small busi-and mortar to the exclusion of ness association) quotes the fate

Some 20 per rent of these funds were allocated to small businesses but only LIOhn was businesses but only L10hn was actually used for this purpose. Over 70 per cent of funds, say Contapi, went to large state-controlled companies, mostly to finance losses or maintain uneconomic workforces, and the rest to the Mezzogiorno, fully backward south. But all these "payments" have been made only in theory: no funds have only in theory; no funds have

Subsequent schemes, like law
46, favouring investment in
specified high technology sectors, have again failed to
finance investment in small/
medium sized businesses. There
is a major and urgent need,
concludes Confaji, to restructure
the system of investment
finance for small businesses. Subsequent schemes, like Law

More comprehensive

While recognising the impor-tant role played by the Medio-credito (Italy's medium term investment and trade finance organisation) in providing funds for investment in fixed assets at all levels of Italian industry. Confapi see the need for a more comprehensive approach to whether short, medium or long

At the local level there exist over 50 consorzi api fidi (small business credit consorzia) who until now have been mainly concerned with short-term financing schemes, usually with an upper limit of L50m, repayable within one year. The consortium consists of local small businesses who each guarantee for a fixed amount the loan, which has to be approved by a committee of members, plus the local bank providing the funds.

Another important initiative at local level has been to agree base interest rates with local banks for members. A recent initiative of Confapi.

has been the formation of a major tuming national association, the Union-businesses in

conside of all the conserve with a view to coordinating their activities, to improving the bargaining power of small businesses with credit institutions at pational level, and, most significantly of all, to tackling the question of medium-term finance for small businesses.

The lack of medium-term finance for small business is one of the major credit problems which they face. The difficulty exists because local Italian banks are not able or willing to great medium-term loans, and the medium-term disance requirements of many Italian small businesses are too suidil to be of interest to international banks, who are also restricted territorially from working in

most Italian regions.

Some API consertla have recently entered the medium-term finance sector granting two to three-year loans of up to L350m (shout £100,000). These will complement finence for fixed assets obtained through credit institutions, the Mediocredito, and are allocated for development plans which also include investment in research, training and commercial activities.

They also complement the finance syntlable through the finance syntlable through the European Investment Bank.

At the singual general meetmost Italian regions.

European Investment Bank.

At the singual general meeting of Contapt held in Rome on November 26, the association presented some fareteaching proposals for restructuring and improving fansace for small businesses. The most fundamental proposal has been a call to the Givernment to create a fund of Lagoobi (#832m) for small businesses not employing more than 150 employees who intend to make investment of sea store than 150 employees who intend to make investment of sea store than 150 employees who intend to make investment of sea store than 150 employees who intend to make investment of sea store than 150 employees who intend to make investment of sea store than 150 employees who intend to make investment of sea store than 150 employees to be approached in sweet years, and, according to Confasi, could enable small husinesses to create up to 30,000 new jobs.

PROFILE: KEN BROMLEY

Barclays man in Milan

KEN BROMLEY must be the best-known Mancunlan on the Italian banking scene. As head of the versatile Barelays Group Italia, the jevial Mr Bromley has been a fixture in Milanese financial circles for nine years. He is married to an Italian he met while serving in the British forces in 1946 ("I met her in Rimini and we married because I wanted to ensure the future possibility of holidays by the

Mr Bromley originally went into banking (he first joined the old Martins Bank in 1939) to "fill a gap before going into the forces." His marriage in 1946, Mr Bromley recalls, marked "the first time of many that I broke bank regulations." His sin was to marry without obtaining the bank's permission as, believe-it-ornot, was required in those days. (All was made good later on when he received a letter from the board of directors providing him with approval "with retrospective

By 1969, Mr Bromley was in the Liverpool head office of Martins, co-rdinating the bank's absorption by Barclays. In 1971 he moved to Lombard Street as a Barclays divisional general manager in charge of marketing. In 1975 Barclays decided to take advantage of Italophile Bromley and asked him to move to Milan in order to develop its then 52 per cent interest in the small Banca Castellini of Milan (Earclays secured 100 per cent ownership in 1980).

When he arrived in Milan. When he arrived in Milan, Mr Bromley found a staff of 40 and L10bn of outstanding loans. Today Barclays Italia has 800 employees in 21 cities and a group loan book of around L1,700bn (£711m). In 1978 the Bromley approach led to a long-term programme. led to a long-term programme of expansion. "I didn't see us as just a bank but as a financial services company.



We never concentrate on just

So Barclays today is involved in leasing, factoring, corporate finance, mergers and acquisitions work, consumer credit and medium-term lending as well as traditional corporate banking.
One competitor rated Barclays in Italy as "one of the most successful foreign banks

Not all competitors heap praise on Barclays. There are still sneers about the president is now under criminal investigation. Although the matter has still to run its course, it is likely to result in write-offs of \$10m

Mr Bromley, who has been asked by headquarters in London to stay on until next year even though he is past apologies for the leasing flasco. He takes the "you ean't get everything right." approach and reckons it is important to have ene —it means you are doing something right."

Although he plans to return to Britain next year, he won't be kept from frequent visits to Italy. "I like living in Italy and Milan is the only place to be," says the ardent



BANK FOUNDED IN 1896

Ralance sheet as at December 31, 1982 (in billion lire)

Managed funds 8.160 Customers deposits 5.759

3.283 Loans Capital and reserves 527 Net profit for the year



Credito Romagnolo ranks 16th among the banks in Italy and has 186 branches located in centres of relevant economic importance. such as Bologna, Ferrara, Firenza, Forli, Mantova, Milano, Modena, Parma, Pesaro, Piacenza, Ravenna, Reggio Emilia, Rimini,

Credito Romagnolo is continuously improving its organization by means of direct connections with national and international Corporations and Institutions, which are mostly advanced in the tele-communication of funds transfers as well as of economic and financial information.

ITALIAN BANKING VII

Crucial role as guide to the economy

Bank of Italy JAMES BUXTON

THE BANK OF ITALY has always been by far the most important institution in the running of the post-war Italian economy. As governments come and go, and display their habitual reluctance to take economic decisions that might hurt arrange it has fallen to hurt anyone, it has fallen to the central bank to guide the economy as best it can with the weapons of monetary and credit

Rarely has the central bank's role, however, become as crucial as it is today when the major economic issue is the Government's deficit and the colossal borrowing that is required to finance it. In recent weeks the Governor of the Bank of Italy, Dr Carlo Azeglio Ciampi, has been in an unusually exposed position. Almost every comment of his on the Government's economic policy is likely to make a newspaper headline.

Last year the public sector deficit amounted to L71,000bn (\$33.29bn) or nearly 16 per cent of gross domestic product. This year it will be L90,000bn or 17 per cent. The target for or 17 per cent. The target for the next year, which on current projections will not be achieved, is 15 per cent. The Government's insatiable appetite for funds means that it takes about 70 per cent of total domestic credit. The central hank is caught uneasily between the need to help the Government obtain funds and to protect

obtain funds and to protect other borrowers and the currency as a whole.

In 1981 the Bank of Italy was officially "divorced" from the Treasury, which meant that it was no longer obliged to buy up the Treasury bills which the Government fails to sell at auction. Nevertheless, it con tinued to do so within reason, and did what it could to point banks in the direction of the banks in the direction of the Treasury bill auctions, for fear of something worse—a jump in

interest rates.

Dr Guido Carll, who was
Governor of the bank for 15
years until 1975, told the bank's annual meeting in May 1974 that for the central bank to refuse to finance the public deficit would be "a seditious

and perhaps making it that research department is really much more difficult for the the only official organ in the

bank has had to raise the ceiling of the growth of total internal credit from the 18 per cent set at the beginning of the year to 21 per cent as the Government's deficit has overshot the original target of 171 000hm by ment's deficit has overshot the original target of L71,000bn by about 1.20,000bn. There are those who believe that if the bank took a more ruthless attitude and refused to allow total internal credit to expand as the deficit rose, thus raising the spectre of a frightening leap in interest rates, the Government would be forced to do what it has always shirked doing and actually cur its doing and actually cut its spending.

It can be questioned whether the central bank has the insti-tutional and moral authority to do so. In any event, a stern but ultimately flexible approach is perhaps more appropriate to the country in which it is operating. So delicate is the operating. So delicate is the situation, however, that Dr Clampi cannot help being involved in public controversy almost everytime he opens his mouth and there are not a few politicians, including ministers, who believe that the divorce between the bank and the Treasury ought to be cancelled and the bank made subservient to the Treasury.

More rigid

For 1984, however, the Government appears to be committing itself much more rigidly than before. The budget statement says that the growth of the monetary base and of M2 must be kept within 12 to 14 per cent. These objectives

must be announced to the public and thus become fully verifiable," it says. This means, at least in theory, that the Bank of Italy will have more support for a tighter monetary policy and that if the Government overspends, in-terest rates will go up as the Treasury competes with the private sector for funds.

Dr Ciampi's polite response to this, as expressed in a speech in Venice in October, was that the monetary targets would be met if the Governdeficit would be "a seditious act."

At the end of last year, however, the bank showed what the divorce really meant. It exercised its right not to buy up all the Treasury believed to sell desperting the several indicators rather than the lank with its guns several indicators rather than the lank with its guns several indicators rather than the lank with its guns several indicators rather than the lank with its guns several indicators rather than the lank with its guns several indicators rather than the lank of the lank of the lank of the lank with its guns several indicators rather than the lank of ately. As a result, the Treasury just one. Indeed he held out found itself needing to exceed the hope that if the Governthe 14 per cent overdraft limit ment did what it said it would

Banga Popolare

Share Capital Lt 18,03,000,500 Reserves and Funds Lit. 659,005,861,036

Fund for Bad and Doubtful Debts Lit. 73,279,157,034

Deposits with the Bank over Lit 13 198 billion.

378 Franches in Taly. Branch ababad: Lauxembourg

Representative Thees in Brussels,

Caracas, Frankfurt am Main, London,

Madrid, New York, Paris and Zurich.

Adviser in Moscow.

Treasury to get out of such a country that knows what is jam again.

Even so, this year the central happy to speak to outsiders but bank has had to raise the ceiling the bulk of its wisdom has hitherto been dispensed in the

turgid and bulky annual reports of the bank, which come at each May, The bulletin, which will come in autumn and out twice a year, in autumn and spring, with the annual report spring, with the annual report making a third, bumper summer issue, is more condensed, readable and better presented, with excellent summaries of key issues such as wage indexation. It makes the research department's knowledge suddenly accessible.

Dr Ciampi, who is 63, has been Governor of the Bank of Italy since 1979. He took over after the notorious Bank of Italy affair, when politicallymotivated magistrates, representing mysterious and sinister

senting mysterious and sinister interests, made a violent assault on the bank in an attempt to shatter its moral authority and lofty independence of the Italian political scene. This was done by making legal charges against the then Governor, Dr Paolo Baffl, and Dr Mario Sarci-nelli, a senior official of the bank. Dr Sarcinelli spent two weeks in prison.

The charges were completely trumped up and later dropped, and the bank's independence was not impugned. But its self-confidence was shaken and it has become very sensitive to criticism of its role in the affair. Its self-confidence was shaken. Dr Baffi resigned, an embittered

It may have been because of this weakened morale that the central bank hesitated for so long before taking decisive action against Sig Roberto Calvi, chairman of Banco Ambrosiano, before his bank crashed in 1982 with debts of \$1.3bn. Although the central bank acted swiftly and decisively after the crash the incident did not suppose the control of the c dent did not enhance its reputa-tion and it has become very sensitive to criticism of its role

Nothing that happened over Banco Ambrosiano can have encouraged the central bank to loosen the stern and highly detailed controls that it exercises over the Italian banking Dointing to some extent in the wrong direction: its otherwise formidable battery of controls

found itself needing to exceed the hope that if the Government in pursuing its action at the laper cent overdraft limit with the central bank which is laid down by law. The Bank of Italy was then able to demonstrate the whip hand it had over government finance.

It obliged the Treasury to go to parliament, explain the situation of gross overspending, and ask it to pass an Act of parliament obliging the Bank of Italy to exceed temporarily by 18,000bn its lending limits to the Treasury. Although several commentators urged members of parliament to refuse to pass the legislation, there was never a serious chance of that happening and

PROFILE: GUIDO VITALE



Banker who shuns limelight

"In 1973 I found myself in the street, with 12 fellow executives on my back. So I decided to form my own

decided to form my own company."
WITH THESE blunt words
Dr Guido Vitale, managing director of the Mian-based Euromobiliare investment banking group, explains how he created a new animal in Italian finance, He found himself "" the created because self "in the street" because he was unwilling to work for the notorious Michele Sin-dona, convicted Sicilian tax lawyer and mentor to the late Roberto Calvi, who took over a company which Dr Vitale was running back in 1973. Today, Euromobiliare is a publicly-quoted company with 70 employees and paid-in capital of L7.5bn (\$4.6m). It is not a major force, but like the early New York investment banks it is lean and hungry. The Euromobiliare operation is involved in stock market financing, mergers

loans and is one of the very few Italian players in the Eurobond market. Dr Vitale, who is 46-years old, has earned the respect of many in Italy and abroad. He is hard-working, imaginative and energetic, shunning the pomp of the Milanese cocktail circuit and preferring the serious business of dealmaking instead. Perhaps he is not accepted entirely as an insider in the Milanese financial elite, but this does not appear to bother him.

and acquisitions, syndicated

Fulbright scholar

Born in Piedmont, he speni he attended English, French and Italian schools. He re-turned to Turin in 1952 and completed his education and completed his education and military service. In 1961 he became a Fulbright scholar at Columbia University, where he did postgraduate work in economics. He started his eareer at Mediobanca, the granddaddy of all Italian investment banking, Later he became an auditor at General Electric and in 1968 he was asked by Olivetti's De Benedetti family to run a small listed company which small listed company which he built into a financial ser-

vices group. When he started Euromobilaire, it was with the backing of some of Italy's most prominent industrial families, including the Agnellis of Fiat fame and the De Benedettis. "My idea was to develop a merchant bank-ing business in Italy. We are a company which provides the special services of a bank without being a bank," explains Dr Vitale.

At first the small band of

Vitale recruits concentrated on stockbroking, money market dealing and Eurobonds. From the start, Dr Vitale went against the norm in Italy—for example, be insisted on audited accounts from companies obtaining a quote on the Milan bourse. Euromobilaire went public in 1981 with 20 per cent of the shares issued at L3,000 apiece. The shares now trade at around 14,500.

around 14,500.

Dr Vitale's empire has grown in the last year with his merger with Confindi, a Milan fund manager which is should provide more scope for

should provide more scope for progress toward Dr Vitale's dream—to become a "bona fide" merchant bank.

The main criticism levelled against Dr Vitale by his friends and colleagues is that he works too much. He is by his own admission a workaholic, spending 10 to 12 hours a day in the office. Married, with a wife who is a psychomalyst, and two daughters. Pualvst, and two daughters, Dr Vitale spends little time away from his beloved Euro-mobilaire. "I like to think I would enjoy country life, but

I never seem to have time," he sighs.

The prizes of Italian public life do not seem to hold much attraction for him, either. When, a few weeks ago, the Italian press mooted his name as a possible candidate for the chairmanship of Consob, the Italian stockmarket authority.

Dr Vitale's reaction was
typical: "What would I do
about Euromobiliare? Who would run it?" He wondered aloud. No, not for Guido Vitale the limelight, He has a business to run.

ALAN FRIEDMAN

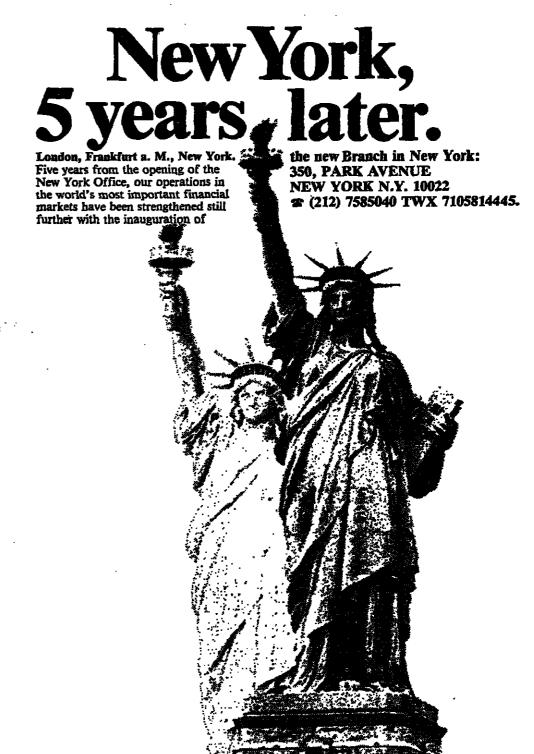


From here, we serve you **Italy-wide**

An area that counts in Italy, the North-East, is blanketed by

our branch offices. Our organisation operates in all corners of Italy; which also count.

Banca Cattolica del Veneto



Banca Popolare di Milano Milan's greatest private bank operating all over Italy

H 1MTO

Banco Lariano and Lombardy: your connection with the largest business area in Italy. If you do business with Italy you will know Lombardy, where a good third of the Italian industrial output and international trade originates. There you will find Banco Lariano. 4,235 billion Lit. (overall deposits). 3,459 billion Lit. (investments and advances). 329 billion Lit. (capital and reserves). A solid partner for your business with Italy.

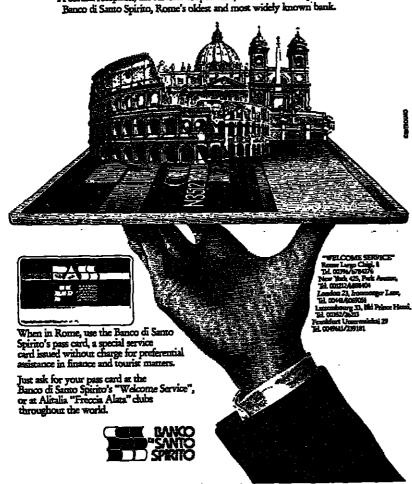
The whole of Rome within easy reach!

Head Office - International Division

tlx 312.298 BLARMI - 380.415 BLARFX (FOREX)

Milan - 10 via U. Hoepli

BANCO LARIANO





D.M. 50,000,000 **Medium Term Facility**

managed and provided by

Banco di Santo Spirito (Luxembourg)

The Bank of Yokohama Ltd.

Caisse d'Epargne de l'Etat, Banque de l'Etat, Luxembourg

> International Energy Bank Limited - SPE Group -

> > Nagrafin Bank Limited

BANCO DI SANTO SPIRITO (LLIXEMBOURG)

Bancomat network leads in Europe

1m. Only 150 of the 1,085 banks

Retail banking

ALAN FRIEDMAN

THE GREAT anomaly of Italian retail banking is that while the street-level service provided to the average customer can be slow and inefficient, the system as a whole has achieved a technological breakthrough which is not yet available to customers in Britain or West Germany — an integrated nationwide network of

cash dispensers. The Bancomat cash dispenser network was launched last spring and now has a total of 600 automated teller machines (ATMS) operating throughout Italy. The ATMS, act strictly as cash dispensers in the Banco-mat system. as cash dispensers in the banco-mat system; several of the par-ticipant banks offer an expanded range of ATM services to their customers only. In all, some 1,000 dispensers are expected to

the in place by next year.

The Bancomat system, arrived with the gentle nudging of the Bank of Italy, marks the first unified network among Italy's tinined network among institu-tions. It is no small achieve-ment in a country which has traditionally had a fragmented and regionalised banking sys-

tem.
One of the more difficult obstacles towards achieving this unity was the reluctance of the major banks — such as Banca Nazionale del Lavoro and Banca Commerciale Italiana — to link up with the many tiny Casse di Risparmio (savings banks), which meant providing even one-branch banks with a national network. There are 12,853

separate branches up and down purchases are made in cash the 1,000-mile Italian peninsula and in many areas a small vil-

and in many areas a small village bank can monopolise deposit taking at the expense of the big banks.

The first group of banks to develop an ATM network was the savings banks, which in 1880-1881 1981 introduced the Carismat system. Thus, in the words of one bank analyst, the Bancomat are more than 14m in circula-system is as much a "political as tion in Britain, Italy has around a technological decision."

rest of Western Europe (as is the case in other southern Euro-pean countries such as Spain and Portugal). For one thing, Italy is not a cheque-based country. According to a recent study of Italian retail banking in "The Retail Banking Revolu-tion." fewer than 50 per cent of Italian households have cheque accounts. This despite the fact that current accounts the fact that current accounts pay interest at the same level as deposit accounts in Italy. De-posit rates are not published in Italy—you simply shop around and try to negotiate a rate with

Cash transactions

Italy is a cash-based country -around three quarters of all transactions are made in cash and less than a fifth by cheque.
Only four per cent of transactions are made by credit card.
A study commissioned this year by the Italian Bankers' Associ-ation (ABI) showed that almost 40 per cent of car purchases and 65 per cent of home appliance

cheque accounts they often use them as savings accounts, going to the bank and drawing out large wads of cash rather than paying by cheque at shops and restaurants. Cheque guarantee cards do not exist as a nationwide concept. Whereas there are more than 14m in circula-

The simple reality is that deinitially accept cheque guaranspite Italy's leap into the space tee cards. Moreover, presenta-age of electronic cash distion of a cheque guaranteed pensers, its banking culture re- card at a shop by no means im mains some years behind the plies that the merchant will rest of Western Europe (as is accept a cheque. As for credit cards, there are around 1.7m in circulation. Banca d'America e d'Italia, the wholly-owned BankAmerica subsidiary, dominates with 1.2m cards. Eurocard, which is marketed most aggressively by Credito Italiano. is a distant second with 230,000 cards. Following behind are American Express, Conto d'Identita and Diners Club. But Italians, ex-

> ticular do not encourage the use of cards, frequently turning their noses up at the sight of a plastic card and offering a 5 per cent discount on the pur-chase it the customer will opt for cash instead. for cash instead.
>
> Many Italian bankers would prefer to see the system more away from its costly dependence on cash. Likewise the Bank of Italy is keen to see further progress in this direction. But the Government is, for historical reasons, not in a position yet

Even where families have around 2.5m state sector em. "I'll be frank. We make a lot sheque accounts they often use ployees are still able to collect on the float," admitted one they have and drawing out their monthly wages in cash Milanese banker.

Although banks may be the state of the sta

Throughout Italy civil servants, teachers, police, hospital workers and a variety of Government employees queun up each month for their wages in cash. Assuming a median salary of L1.2m a month, that is a monthly wage bill of L3,000bn

Direct transfers

The Italian Bankers' Association has recently been holding a series of talks with the Bank of Italy to explore proposals to shift towards a system of direct tarnsfers into bank accounts for Government employers. The stumbling block is more political than technical, however, as it would require a new law to be passed. Part of the proposal involves the banks suggesting that if they were to the gesting that if they were to co-noerate the Government would guarantee them a three-day float on the payroll, not a bad quid pro quo at all for the cept for bankers and business-men with international experience, do not seem to like using credit cards. Merchants in par-

> The concept of a float of in-The concept of a float of interest-free funds for the banks is a key aspect of Italian banks are notoriously slow in clearing cheques, even within the same city. It is not unusual for a cheque to take eight to 10 days to clear and delays of up to one month are not uncommon either. In fact the very inefficiency of Italian banking is a Britain and France,

Although banks may be highly automated within their own branch networks, a national interbank teleprocessing system has yet to become a reality. In other words, customers can often find themselves at the mercy of Italy's postal service, which is not exactly brilliant— partly perhaps because of the mountainous and lengthy ter-

rain of the country.

The Bank of Italy is trying to expedite the drive towards an integrated teleprocessing system by participating in the Conven-zione Interbancaria per I Problemi dell'Automazione (CIPA), the interbank committee on automation problems. If the interbank consultations are sucinterbank consultations are suc-cessful, Italy could find itself making more progress (admit-tedly from a lower base) than some of its Western European counterparts. This is the hope of many ban-kers when it comes to both the

Bancomat network and inter-bank automation. As one Bank of Italy official put it: "Perhaps we can turn our traditional cultural problems to our advantage and tump two steps, from a cash-based system directly to sutomation. ATMS and even

Consequences of shift in Treasury funding

Treasury certificates.

from ML through to M3 in-

from two to seven years, pay

would be proper to regard

Money markets

CHARLES KENNARD

ITALIAN BANKING is a con-servative world in which old adages never die, and seldom fade away: a case in point is, the adage that says the more

things change, the more they remain the same. The "Massimale," a central bank corset on bank lending, was formally abousted at the of June. Setting monthly and annual limits on the expansion of each bank's lending (14 per cent a year for 1983), it was enforced by a system of deposits called by the Bank of Italy from banks which

cludes the rapidly expanding Treasury certificate issue. Since Treasury certificates, issued with maturities ranging It was highly unpopular with the foreign banks established in Milan over the past 10 years, who believed its abolition would finally allow them to get their teeth into the fat or half-yearly interest based on six months Treasury bill yield, it sluggish and over-protected domestic competitors.

Money brokers, too, looked to its removal to stimulate a range of business from interbank to Certificates of Deposit as rapidly expanding foreigners borrowed in the markets to make up for their small deposit

Of course, it didn't happen. In the days immediately after the phasing out, each bank received a letter from the Bank of Italy advising it with gentlemanly persuasion to stay within the 14 per cent guideline. But

"They called us in, bank by bank, and gave us each a figure for our lending for the read of the year," one American banker recalled recently. "They were precise down to the last lira and cent, and I do not know a single case that was not between 13

and 15 per cent." The Massimale, in short, has not been abolished, foreign bankers say. The only thing that has changed is that they no longer know what penalties they face for transgression. And they also do not know yet what they will be allowed to do next

year.
Take, for another example, the ever-burgeoning state deficit and the crowding out of the private sector from Italy's capital markets.

In the past three years successive governments have pledged top priority to stabilising the public sector borrowing requirement, despite which it has nearly trebled to more than L90,000bn this year.

Bank of Italy figures show that public sector issues mono-polised 95 per cent of the primary markets in the first nine months of this year, compared with an average 25 per cent in the early 1970s.

With clinical and practised skill the monetary authorities have aborted every attempt to nurture alternatives to the market in Treasury securities. Yet, if the basic rule of the Milan market remains neces-sarily a quasi-tital servility to the appetites of the Treasury Ministry, it would still be wrong to say that nothing in the past year has changed.

Efforts by the monetary authorities to restructure, if not reduce, the national debt are yielding technical consequences which money market operators and monetary economists are still digesting.

Treasury, acting through the being at least as liquid as six-central bank, has successfully month paper, the argument shifted the bulk of its new goes.

The inference is that monetary policy is substantially more accommodating (at least borrowing from short-term Treasury bills to medium-term One practical consequence, to the state sector) than published statistics show and although this is botly disputed at the central bank, market experience and the facts of Italian inflation seem to bear according to bankers, has been the effective demise of second-ary trading in Treasury bills, for years the staple of the Milan

money markets.

Another, more theoretical, according to Prof Mario Monti, Italy's leading monetarist who teaches at Milan's Bocconi University, has been a radical distories, of published money. it out. Leaving that issue aside, the success of the authorities in lengthening the maturity of public sector debt has been impressive, bankers say. tortion of published money supply figures.

Prof Monti and others point

Between January and Novem Prof Monti and others point ber the stock of Treasury out that none of the normally certificates in circulation watched money supply series doubled to about L118,000bn worth from just over L59,000bn. In the same period the stock of Treasury bills in circulation rose slightly to just under L150,000bn from about from

CONTINUED ON NEXT PAGE

Reliance on facts

For its operational and productive size structure, Cassa di Risparmi e Depositi di Prato is the leading bank in the major textile area of Europe. The Cassa's vital activity and available resources, its widespread flexible network of branches, which can be considered actual service centres, enable the bank to fully satisfy the various requirements of families and industries.



50047 PRATO/TTALY - TEL. (574) 4921 - TELEX: FRATO E 572382.



Banca Agricola Milanese · Milano Banca Credito Agrario Bresciano - Brescia Banca di Trento e Bolzano · Trento Banco S. Geminiano e S. Prospero · Modena Credito Artigiano · Milano Credito Bergamasco · Bergamo



The strict cooperation among the banks involved allows to offer customers better readiness and operating capacity in the whole range of the banking services.

REPRESENTATIVE OFFICE

via Nazionale 39 · tel. 4755844/5

ITALIAN BANKING IX

Waiting for a watchdog with teeth

Milan Bourse ALAN FREDMAN

WHAT CAN one say about a bourse which sees 80 per cent of its share trading done a long way from the official market, a bourse which plays a tiny role in providing risk capital to companies, a bourse which for years has been a den of insider trading and arreculation and a bourse. ing and speculation and a bourse which has fewer listed companies than the total number of stockbuckers in Italy? One can

only say "welcome to Milant"
The Milan Bourse, largest of
the 10 regional stock markets
in Raly (there are markets in places such as Venice, Bologna, Turin and Rome) has been through some rough times. Founded in 1808 by a decree from Napoleon's viceroy, the Milan stock market has ridden out the scandals of Michele Sindona and Roberto Calvi but still

has a long way to go.

In the darker days of the 1970s share manipulation Sig Ugo La Malfa, one of Italy's best known Treasury Ministers, coup-makers of the market"). La Malfa and others were concerned about the way a handful of speculators pumped, primed, fixed and generally played with

Today, for the first time in many years there exists a rea-sonable basis for hoping that the foundations are being laid for the development of a real life and properly regulated life and properly regulated Milan bourse. Much work has been done in recent years to achieve improved financial dis-

cannot hope to attain inter-national credibility until the number of quoted shares is doubled—and this could take

two to three years. But there are other obstacles to progress, some political and some culbanks and insurance companies. He notes that the bourse is also

over panel "Our most important goal is Bank of Italy and the emphasis to concentrate share trading in the stock market. Around 80 per cent of trading is outside and we need a law to regulate this," explains the chairman. There are times frequently less than a third of the listed companies. There are times when a dozen shares may

As if these problems were not enough, the market also faces another obstacle — the impossible competition for achieve improved financial discussions and to investor savings from government treasury bonds and from encourage small investors in bank deposit rates. Shares on Italy to consider the market.

Still more needs to be done.

Frightened away

Moreover, the fear of being taken for a very long ride has persistently frightened away the small investor. A few large banks and insurance companies — and some of the quoted com-panies themselves — make tural.

Dr Ettore Fumagalli, chairman of the Milan Bourse, savers need to be coaxed with reckons that the greatest obstacle is the lack of an Italian law requiring a concentration. Some of Italy's leading of trading in the bourse and financiers think they may have not outside it among the found a device for coaxing inbanks and insurance companies. vestors to the Bourse — namely the establishment for the first without rules for the public offer of shares—a prospectus, for example, is only "optional" for companies seeking a listing.

There is not even an official trusts are to be introduced within the next few weeks. They will have to meet criteria only the control of the first trusts are to be introduced within the next few weeks. They will have to meet criteria only the control of the first trusts are to be introduced within the next few weeks. set by the Treasury and the

investor and broaden the market's appeal? Dr Fumagalli is one who believes it can — so much so that he is teaming up with a when a dozen suaraccount for a third to a half of
trading volume. The Milan
Bourse is still a provincial
affair, out of step with the rest
of the world's major markets
and driven far more by domestic Italian political squabbles
the Treasury bonds," says the
chairman of the Bourse. How
can this be achieved? Dr

He smiles and says only that "it can be done." Italy to consider the market. the Bourse yield an average 3 still more needs to be done.

At last count there were 154 driven by its insatiable appetite bling block. It is called Consob, the Milan Bourse, making for is currently paying more than a market capitalisation of 18 per cent on its tax-free more than \$20bn. This com-

pares with a number 15 times accounts, whether they be curgreater in London and a Lon-rent or savings, may pay any-don capitalisation of more than thing from 5 to 16 per cent, 200bn. Most veterans in Milan reckon the market Frightened away post founded in 1974, as "an indispensable body." Indispensable it may be but "non-existent" is the way most people would describe it. people would describe it.
Consob has had a troubled
history and badly needs to
prove itself to be a watchdog

with teeth. Sig Vincenzo man of the Rome-based Consob two months ago, told a Parlia-mentary investigation that the regulatory agency effectively did not exist. After saying that Consob "had never been born," Sig Milazzo, a former top-level government bureau crat, went on to express his reservations about the useful-ness of audited company

These are strange sentiment answer to the SEC. In Milan few in the bourse appear to mourn the departure of the Consob chairman.

With its patchy record Consob's reputation has nowhere to go but up. Soon to retire as a member is a Rome theatrical impresario appointed by the will be on professional and careful management of funds. Can the development of such mutual funds entice the small then Prime Minister Giulio Andreotti. At the time of writing it was expected that the Government would appoint a successor to Sig Milazzo before Christmas. This new and stockbrokers in Milan would have the political cloud to do an effective job. "A new political will to act is discern-able," commented Dr Urbano Aletti, former chairman of the

Politics, along with finance has everything to do with Cousob. There is little doubt that Dr Aletti's assessment is "it can be done."

Even if the advent of unit trusts and the tightening of rules on share trading and the bolstering the image of Consob increase in the number of and developing a true financia

The oldest Bank in the World

MONTE DEI PASCHI DI SIENA

and its subsidiaries

BANCA TOSCANA Florence - established in 1904 CREDITO COMMERCIALE Milan - established in 1907 CREDITO LOMBARDO Milan - established in 1920

ITALIAN INTERNATIONAL BANK Ltd. London - established in 1972

at your service in Italy and everywhere



OF THE «GROUP» IN ITALY

707 BRANCHES

MONTE DEI PASCHI DI SIENA Branch in NEW YORK Representative offices in: FRANKFURT AM MAIN, LONDON, SÃO PAULO, SINGAPORE. MONTE DEI PASCHI GROUP Representative office in CAIRO.

Detail of a hand-painted wooden cover of a Tax Book of the city of Siena for the year 1468

MONTE DEI PASCHI DI SIENA BANKING GROUP

PROFILE: ETTORE FUMAGALLI

Unpretentious technocrat

This is one of Dr sum-galit's favourite themes—the mucers move gradgingly along their tracks and in the crowded cafes near the Milan Bourse in Piazza Affari stock-brokers stand munching hioche and sipping expresso coffee. Dr Ettore Fumagalli, chairman of the Milan bourse, is already behind his desk at half past eight. With Milane despatch he wastes no time at all and plunges into a dis-course on the challenges facing the Italian equity

44.64

"Twenty-five years ago there was 39 per cent of italy's GNP invested in the stockmarket—today there is only for cent. The main reason is competition from government Treasury bonds. We have the second highest savings ratio in the world after Japan. But Italians are not used to investing in share: They put their money in the hanks and the hanks. in the banks and the banks, which are very politicised, put their money into government

money from the banks and fund the deficit." It is a theme echoed by bankers, stockbrokers and senior cornanciers agree that among the more serious problems facing the Milan Bourse is competition from government onds, which yield five times the return on shares.

What can be done then to rectify the situation? Dr Fundgalli, who has been a member of the executive of the Milan Stockbroker Committee since 1969, says that banks must be willing to put capital into the new unit trusts which are being pre-pared for launch in Italy.

"Then we will have some of the public's savings going into the equity market. It is indirect but later on the small investors will come to participate," opines Dr Fumagalli. He is an unpretentious stock exchange chairman, Married with three children,

aged 46, a member of the Milan Rotary Club, Dr Fumagalli comes from a prominent stockbroking family. He is the pinnacle of Milanese tradition, a technocrat rather

Whether he can bring his influence to bear on the prob-lems of the Bourse is another matter. Unlike some men bers of Milan's tight financial circles, Dr Fumagalli does not approve of unregulated investment. He singles out, for example, the "Titoli Atipici," or atypical shares. These are sold not through brokers but door-to-door by travelling salesmen. "I don't like this door-to-door business. Somebody promises something and too many Italians are willing to believe the promises. We have to do something about

The problem for the upright Dr Fumagalli is that "doing something" in the thickly layered financial

ALAN FRIEDMAN

Money markets

But within that total, the stock of three-month bills fell from about L18,000bn to about L13,000bp while the six-month bill circulation fell from about L70,000bn to L65,000bn. Only the 12-month issue has risen, to shout 1.71.000hn from around L52,000bn.

Treasury bills accounted for 18 per cent of state sector securities issued in the first nine months of this year, against 73 per cent in the same period last year, and their average maturity at issue was extended to almost eight months, from five. The same has happened with Treasury certificates, with the average maturity at issue almost doubled during the year to near five years from 2.5

to develop your business with good prospects look for a leader



industrial financing

Paid-up capital and legal reserves: 1,359.8 billion lire Allowances for losses: 749.5 billion lire

ISTITUTO MOBILIARE ITALIANO

Public Low Credit Institute Head Office: ROME - Viale dell'Arte, 25 (Italy)

native Offices abraud: LONDON EC 4R OBE, 8 Laurence Pountney Hill - ZURICH 8022, Gismischstrasse 30, Postfach – BRUSSELS 1050, 67 rue de la Vallée, BTE 7 – 8022, Gismischstrasse 30, Postfach – BRUSSELS 1050, 67 rue de la Vallée, BTE 7 – WASHINGTON 20036 D.C., 21 Dupont Circle, The Erram Building – MEXICO CITY 06500 DF, Paseo de la Reforma 195, Despacho 130L

wel Officer in Italy: Milan, Turin, Genoa, Padua, Venice, Bologna, Florence, Rome, Naples, Bari, Camnia.

Yield cut

Despite recurrent market resistance average issue yield on three-month bills was cut to 13.63 per cent in November from 18.2 per cent in January. With four-year Treasury certificates still yielding an initial 18.4 per cent and sevenyear paper yielding 19.6 per cent, investors have followed their nose to the long end, as

desired. For the secondary markets there have been at least three consequences

the Bank of Italy clearly

Firstly, trading turnover in reasury certificates, once negligible, has soared to several billions of lire a day.

Conversely, trading in Treasury bills, once the staple of the money markets, has slumped to almost nothing, with buyers deterred both by the relatively low yields and the thinness of the market. Dealers say the market flickers into life now only for a day or two after each primary auction when the banks are busy correcting their mis-estimate of

customer demand. As a secondary consequence, some dealers say, the increasingly large mass of mediumterm debt tied through floating rates to an increasingly small base of six-month paper, has given the Treasury a rare and easy opportunity to slice its debt service costs next year by manipulating down the yields on the six-month bill issue.

Meanwhile, however, yields on medium-term paper clearly remain attractive, especially if viewęd against those avaliable on comparable Deutsche mark and sterling paper.

Not even Leonardo could hope to interest 1,364,000 Italian decision-makers with his works.



You can by ringing London 3857723.

highest selling Italian economic weekly has a readership of 216,000. Moreover, a readership which is 74% male with 68% in the 25/54 age group and a highly professional profile (83% ABC₁-70% high school and university graduates -70% managers, businessmen and professional people).

You will also learn that Europeo is one of the foremost political, topical and cultural weeklies with a readership of 1,148,000 of which 68% is male, mainly in the 25/54 age group (59%), ABC class (77%), and high school and university graduates (47%).

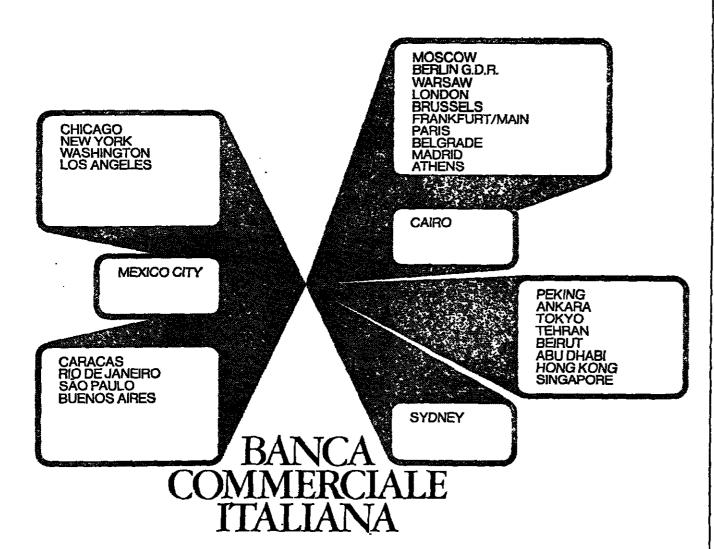
Lastly, by calling this number you will have at your disposal a staff of knowledgeable consultants highly experienced in the Italian market, and able to offer you a complete marketing information and media planning service, to help you solve your communication problems in Italy.

Other representatives in the world:

Paris tel. 5006608 - Hamburg tel. > 5110031 - Basel tel. 226575 - Lausanne tel. 207151 - Zürich tel. 2578111 -Bruxelles tel. 6499775 - Wien tel. 757684 Athenes tel. 6929607 - Amsterdam tel. 178795 - São Paulo tel. 8534842 - Barcelona tel. 2050012 - Stockholm tel. 135000 - Tokyo tel. 4454375 - Johannesburg tel. 8365978 - Sydney tel. 9222677 - Porto tel. 29992 - Lisbon tel. 563603 -New York tel. 6846601 - Toronto tel. 3642269.

SRUPPO RIZZOLI-CORRIERE DELLA SERA * PUBLICITAS LTD. - 525/527 FULHAM ROAD - LONDON SW6 IHF.

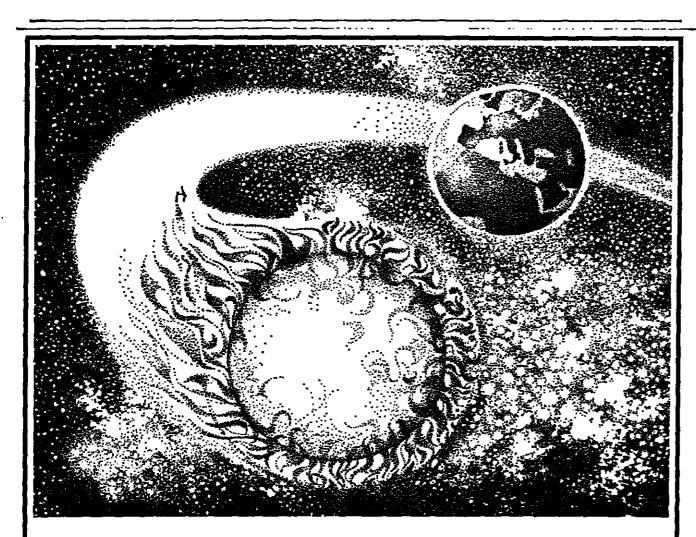
The main markets? ECCOVERS THE THE



Head Office: Milan Tel. 88501 (45 lines) Telex 310080 BCI HO I 387 branches in Italy

London branch: 42 Gresham Street - London EC2V.7LA Tel. 01-600.8651 Telex 885927 COMIT G

Associated and allied banks and other participations in more than 30 countries Associated in EBIC -European Banks International



Sanpaolo Bank: date of birth 1563...

When we still believed the sun circled the earth.

SNIPAOIO BNIK

ISTITUTO BANCARIO SAN PAOLO DI TORINO

Head Office: Turin - Italy 350 Branches in Italy Foreign Network: Branches in Amsterdam, Frankfurt, London (Licensed Deposit Taker), Los Angeles, Münich Agency in New York; Representative Offices in Paris and Zürich.

Dispute over Vatican bank's involvement drags on

Aftermath of Ambrosiano

JAMES BUXTON

THE COMPLETE truth about what really happened at Banco Ambrosiano under Sig Roberto Calvi and how the doomed banker ended up hanging under Blackfriars Bridge in the City of London in June 1982 will probably not be known for

will probably not be known for years—if eyer.

But by now at least one part of the story—the relationship between the now defunct bank and the Vatican—ought to have been a little clearer, thanks to the setting up last Christmas of a joint commission of the a joint commission of the Vatican and Italy aimed at examining what happened and laying the basis for a settle-

Yet not only are the facts as obscure as ever, at least to the interested public; there had, at the time of writing, been no settlement. The joint commisand though the report is now complete and has been handed over to a few interested bodies in Italy, it is not unanimous on what happened. Even so, there are indications that talks now are indications that talks now in progress with the Vatican will in the end lead to a partial resolution of the issue. That should unlock other negotiations on the aftermath of Banco Ambrosiano which are still pending, amid a spider's web of interlocking writs, web of interlocking writs.

Its future is not without uncertainties. How long do its ment of these debts, with the latest offers exceeding 50 per cent of the sums claimed. But to flourish to the extent of taking away some of the sums claimed. But their own business? Will it ever the money for the settlement will come from depends on the discussions now being pursued with the Vatican.

Banco Ambrosiano which are still pending, amid a spider's web of interlocking writs.

When the bank went under, with debts of almost \$1.3hn, a consortium of seven banks, three public sector and four private, was wheeled in to take over the banking operation.

Jointly they now own Nuovo

It has also managed to reduce its staff slightly in line with its reduced business and has started to open new branches in areas more promising than those of the old bank, whose branch structure had become ossified and inappropriate of customers. to customers' needs. It has issued warrants to the small sion 135 repeatedly overshot shareholders of the old bank deadlines for finishing its work who lost their money when it who lost their money when it crashed which will enable them to buy shares in the new bank at a later stage. In its first operating year Nuovo Banco Ambrosiano made a loss of 1.24.9bn and does not expect to be in profit before 1985.

control over the Luxembourg operation and considered that the lending banks should have known this, even though the loans booked through Luxem-bourg were arranged at the Milan office of Banco Ambrobanks, led by Britain's National Westminster and Midland, issued writs against the liquidators of Banco Ambrosiano and against Nuovo Banco Ambrosiano for the recovery of the \$450m. Anxious to minimise the damage to Italy's financial image abroad, the Italian authorities have made gradually

still pending, amid a spider's web of interlocking writs.
When the bank went under, with debts of almost \$1.3hn, a consortium of seven banks, three public sector and four private, was wheeled in to take over the banking operation. Jointly they now own Nuovo Banco Ambrosiano, the successor to the defunct bank. They were also allowed to retain Banco Ambrosiano's subsidiary, the finance company La Centrale, which controlled two other banks, Banco Cattolica del Veneto and Credito Varesino, and the insurance com-sino, and the insuran

PROFILE: Banco di Napoli

New leaders bring boardroom peace

A CURIOUS thing has hap-pened in the world of Italian banking. For nearly a year now the newspapers have been without lurid articles on the board-room wrangling of Banco di

Banco di Napoli is the country's sixth biggest bank in terms of assets and the one with the most branches (nearly 500), most of them in the south of the country, where it formerly issued the currency

But despite its distinguished history, dating back at least to the 18th century, the bank's operations have lately become increasingly antiquated, its management unprofessional and its links with local political interests in Naples question-able. To sort it out the Government in early 1980 appointed Dr Rinaldo Ossola, a former senior official of the Bank of

Italy and then a Minister, to become its new chairman. In theory Dr Ossola was the ideal man to reform the Banco di Napoli. In practice his three years there were a demonstrayears there were a demoistra-tion that the methods and prin-ciples of Northern Italy, where Dr Ossola comes from rarely blend with the Bourbon atti-

tudes of the South. Dr Ossola did bring about Dr Ossola did bring about some changes at the bank. But on major issues he was repeatedly blocked by the entrenched Christian Democratestablishment there who dominated the board. The explosions and insults exchanged in the boardroom reverheasted. in the boardroom reverberated round Italy. Finally at the end of last year Dr Ossola resigned.

Experienced man

Soon afterwards the Govern-Soon afterwards the Government appointed Professor Ferdinando Ventriglia to be general is keeping up the pressure.

Manayer and in April named "What I'm saying to the Professor Luigi Coccioli as chairman. Sr Ventriglia is an experienced banker, having previously run Isvelmer, the development body for Southern development body for Southern another way of securing new Italy. He has also been director general of the Treasury and managing director of Banco di

Sr Coccioli had since 1979 been chairman of Istituto Ban-cario San Paolo di Torino, often considered one of the country's best managed banks. He is a skilful mannevrer and gets on well with everyone. But the key fact is that both he and Sr Ventriglia are Neapolitans

the essential prerequisite for Banco di Napoli

vised statute for the bank giv- another partner — or perhaps ing it a better management they will come to us." something it had

tenaciously refused to accept when Dr Ossola was in charge. Sig Coccioli, who perhaps wisely does not care to talk about Banco di Napoli's recent to talk past, moved swiftly to remedy one of the bank's long-standing weaknesses—its shortage of capital. He succeeded in bring-ing senior politicians to a meeting in Naples at the height of last summer's election campaign and won pledges from them that something would be done to meet the state-owned bank's need for L1,800bn over the next 10 years in new Government funds—a staggering amount by any standards. Half of this— L900bn—is needed almost at

As he pointed out, the bank's net assets of L853bn amount to only 7.5 per cent of total credits advanced (L11,289bn), whereas the other state-owned banks have a ratio of 13 per cent and banks in the north
of the country 15 per cent.
Given the high risk of lending
in the South the ratio for Banco di Napoli ought if saything to be higher. Yet, as Sig Ventri-glia complained at the meeting, some L84bn of a L141bn capital increase for the bank approved by Parliament in 1981 had yet

to be paid.

Sig Coccioli sald later that
a "kind of letter of intent was
signed," though he did not
expect it to be acted on with
much despatch. Nor has it been, given the frightening dimensions of the Government's deficit. But there is hope of inserting the capital increase—or part of it—into the Bill for the reorganisation of the Cassa per il Mezzogiorno, the state concern which provides funds for the South. That could prove complicated, how-ever. Meanwhile, Sig Coccioli

Another way of securing new resources would be to make use

of the clause in the bank's new statutes — still to be officially approved — that allows 30 per cent of the shares to be sold to private interests, including foreign banks. But the new leaders of Banco di Napoli do not seem very keen on that option for the moment. It would mean changing ownership structure of the bank possibly to allow it to be quoted on the Milan Stock successfully. Exchange and a further shake up in the boardroom just after Dr Ossola had gone (he is now the board has settled down chairman of the successful "The board has been voting Credito Varesino, as well as holding many boardroom appointments) the board of the ment first and then look for research to the honk given the settled town. The board has been voting unanimously since my arrival," says Sig Coccioli. "We'd rather restant the look for the honk given the settled that the look for the honk given the settled that the look for the honk given the settled that the settled town.

pany Toro, and held a 40 per is complicated by the intricateoriginal line that it was an innocent stake in the Rizzoli publishing group, which owns lishing group, which owns company (still in controlled The view held by officials in administration) and the political to the value of the publishing cent and unwitting victim. Corriere della Sera, the Milan newspaper.

Nuovo Banco Ambrosiano, over control of such an im-carlier wards, and admit to re-

Last March the creditor

Nuovo Banco Ambrosiano, chaired by Professor Giovanni Brazoli, has struggled hard to regain the deposit base it had before the crash, offering depositors interest rates well above those paid by other banks. It succeeded in getting its deposits up to about L3,000bn by the end of June this year, compared with less than L2,000bn when the new bank was established in August 1982 and the L4,000bn which was on the old bank's books before it collapsed.

New branches

It has also managed to reduce its staff slightly in line

La Centrale's two banks to gain from a settlement with the Railata state. Without it, remain healthily profitable, it would be very difficult for the Railata Government to sign the new Concordat, substantially amending the one signed in 1929 by Mussolini.

The sixth and latest draft of the concordat—discussions have the same for the 39 banks which had lent about \$450m to apparently ready. Moreover, in Luxembourg, and the parent of Ambrosiano's network of its still regarded as a useful mysterious overseas offshoots.

New branches

It has also managed to reduce its staff slightly in line

Ouestions

From there on the questions pile up. How much would the Vatican pay? A minimum would seem to be the \$125m which IOR borrowed directly from the Latin American subsidiaries of Ambrosiano, but even this figure is in dispute. If the Vatican were to nay substan-Vatican were to pay substantially more — and agures of more than \$200m have been bandled about — where would it get the money from? The Valican's financial resources are far from immense—one recent estimate of the portround of Ars A (the Administra-tion of the Patrimony of the Holy See) put its total value at about \$500m. Would the Vatican, as has been suggested, borrow to pay off part of the settlement price? If so, who would fend to it?

last year, it had not known what they were up to had never run them and had been consistently duped by Calvi, in whom a loophole in the otherwise it had mistakenly puts its trust. Few people in Italy easily accept this exculpation, especially as evidence of highly questionable deals between the IOR and Calvi have come to light, making it difficult to be lieve that the IOR was completely ingenuous. In any event remain in office much longer

pletely ingenuous. In any event remain in office much longer the Vatican and the Italian state after the debacks—even if, as agreed last Christmas to set up a six-man joint commission with sion report puts the blame for three representatives of each whatever errors may have been commission. side to examine the Banco committed at IOR on his imme-Ambrosiano-IOR affair and lay diste underlings?

the basis for a settlement.

The commission travelled to Vatican would help the Italian different countries involved in authorities pay off the creditors the affair, studied countiess of Banco Ambrosiano Holdings documents and spoke to dozens (BAH). The patience of those of witnesses. It produced — banks is not inexhaustible and the administrators of PAH bereauthous the countries of the administrators of PAH bereauthous the countries of the second countries of the creditors of so it said by those who have the administrators of RAH have seen the report—detailed already asked solicitors to draft reconstructions of some of the a writ against the IOR itself, key transactions between IOR the serving of which would be key transactions between IOR the serving of which would be and Calvi. But though the report is a single one, the interpretations of some key events in the parties in the interlocking the story offered by the two dispute appear anxious not to sides in the commission differ, with the Italian side considering tremes if they can avoid it. In the IOR responsible and the stead they are hoping for some Vatican side sticking to its thing to happen soon.

CASSA DI RISPARMIO **DI MODENA**

Established 1845

Head Office: 41100 MODENA (Italy)

ALL DOMESTIC AND FOREIGN

BANKING TRANSACTIONS New prospects, old tradition. Efficient management added to a wide

and complete variety of services. Faithful to its public and local vocation. THE FIRST SAVINGS BANK IN ITALY TO OPEN TO PRIVATE SHAREHOLDERS.

20 BRANCHES AND 10 CITY AGENCIES

CAPITAL AND RESERVES OVER LIL 138,000,000,000 DEPOSITS OVER LH. 1,180,000,000,000

Consultant in the U.K. Prof. S. BACCHI - ANDREOLI 79, Cornwall Gardens, LONDON S.W.7

Phone 01 - 937.6230

CORRESPONDENTS THROUGHOUT THE WORLD

Banca S. Paolo Brescia ..

As at 31.12.1982: Share Capital : Lit. 50,000,000,000 Reserves & Funda: Lit. 150,254,600,000 Total Deposits : Lit. 5,695 billion. Total Deposits : Lit.

Brescia - Corso Martiri della Libertà, 17 Tel. (30) 2992.1 - Telex 300 ofo

: Brezela - Via Cipro, 54 Tel. (30) 2922.1 - Telex 300 (10-Swifts BSPLIT 32